Monday
9th August, 1948

THE
CONSTITUENT ASSEMBLY OF INDIA (LEGISLATIVE) DEBATES

(PART I—QUESTIONS AND ANSWERS)

Official Report

VOLUME VI. 1948

(9th August to 31st August, 1948)

THIRD SESSION

of the

CONSTITUENT ASSEMBLY OF INDIA (LEGISLATIVE)

1948

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THE

CONSTITUENT ASSEMBLY OF INDIA (LEGISLATIVE) DEBATES

OFFICIAL REPORT OF THE THIRD SESSION OF THE CONSTITUENT ASSEMBLY (LEGISLATIVE)

VOLUME VI-1948

CONSTITUENT ASSEMBLY (LEGISLATIVE) DEBATES

(PART I-QUESTIONS AND ANSWERS)

Monday, 9th August, 1948

The Assembly met in the Assembly Chamber of the Council House in New Delhi, at a Quarter to Eleven of the Clock, being the First day of the Third Session of the Constituent Assembly of India (Legislative), pursuant to sub-section (2) (a) of Section 19 of the Government of India Act, 1935, as adapted by the India (Provisional Constitution) Orders, 1947. Mr. Speaker (The Honourable Mr. G. V. Mavalankar) was in the Chair.

DECLARATION BY MEMBERS

The following members made the declaration under Rule 2C:

The Honourable Shri Jairamdas Doulatram (Minister for Food and Agriculture);

Shri A. K. Menon (Madras: General);

Shri Kallur Subba Rao (Madras: General);

Shri M. Tirumala Rao (Madras: General);

Shri Motupi Satyanarayana (Madras: General); and

Rao Bahadur Kanwar Jaswant Singhji (Bikaner State).

STARRED QUESTIONS AND ANSWERS

(a) ORAL ANSWERS

DEVELOPMENT OF GREATER DELHI AND ACCOMMODATION FOR GOVERNMENT SERVANTS

1. ***Mr. R. K. Sidhva:** Will the Honourable Minister of Works, Mines and Power be pleased to state:

(a) whether it is the intention of Government to chalk out plans for the development of Greater Delhi;

(b) if so, what those plans are;

(c) whether any active steps have been taken in this direction;

(d) whether the scheme contains building of houses for Government employees of all cadres; and

(e) if so, when the work is to be started?

The Honourable Shri N. V. Gadgil: (a) Yes.

(b) Broadly speaking, the plans involve:

(i) the extension of the limits of Delhi so as to include an area outside the existing Municipal limits;

(ii) improvement in communications;

(iii) augmentation of water supply of Delhi;

(iv) extension and expansion of sewage and the drainage systems of Delhi;

(v) augmentation of the unfiltered water supply for Delhi;

(vi) increase in the electricity supply of Delhi;

(vii) improvement of railway facilities in Delhi; and

(viii) Development of a limited industrial area.

(c) The scheme is at present in its initial stages. A Central Coordination Committee and various sub-committees have been constituted. Different parts of the scheme will be considered by these sub-committees, and their recommendations will be considered by the Central Coordination Committee. The intention is that all future developments should be in accordance with an approved master plan.

(d) and (e). The actual construction of houses for Government employees of all grades is a matter quite different from the orderly planning of Greater Delhi. The following building schemes for Government employees have already been undertaken:

(i) Construction of flats for 200 officers;

(ii) Construction of quarters for 2,000 clerks;

(iii) Construction of quarters for 1,250 peons; and

(iv) Construction of quarters for 655 work charged employees of the Central Public Works Department.

Mr. R. K. Sidhva: May I know whether in answer (d) the construction of 200 quarters for officers and 2,000 quarters for clerks and 1,250 quarters for peons have been taken in hand and when they are likely to be completed?

The Honourable Shri N. V. Gadgil: So far as the construction of flats for officers is concerned, the ground has been levelled and the actual construction started a few weeks ago. With regard to the 2,000 quarters for clerks, about 400 quarters are expected to be completed by the end of this year and the remainder by the end of June, 1949. So far as the construction of 1,250 quarters for peons is concerned, 380 quarters will be completed by the end of September, another 400 by the end of December and the rest by 31st March, 1949. As regards the construction of other 655 quarters, the work has not yet started

Mr. R. K. Sidhva: Have the contracts been given for all these quarters or are they being done departmentally? Or have the contracts been given for the full number of quarters or only partially according to the statement made by the Honourable Minister?

The Honourable Shri N. V. Gadgil: The contract is given for the entire construction.

Mr. R. K. Sidhva: My question has not been answered. May I know whether the contract has been given for all the 200 officers' quarters, for all the 2,000 quarters for clerks and the 1,250 quarters for peons, or is it only for those quarters to be completed by the end of this year or by the end of March?

The Honourable Shri N. V. Gadgil: So far as the clerks and peons are concerned, the contract covers the entire scheme.

Shri L. Krishnaswami Bharathi: May I know the approximate cost of all these plans to the Government?

The Honourable Shri N. V. Gadgil: I require notice of that question.

Seth Govind Das: Were tenders invited before the contracts were given to different contractors.

The Honourable Shri N. V. Gadgil: As usual it was done.

Seth Govind Das: Is there any proposal for these M.L.A.'s quarters to be double-storeyed?.

The Honourable Shri N. V. Gadgil: That is one of the approved items.

Shri V. C. Kesava Rao: Are there any prefabricated houses?

The Honourable Shri N. V. Gadgil: Not yet: but a scheme has been approved by the Government recently and a pilot factory will soon be erected.

Dr. B. V. Keskar: In view of the fact that Delhi is not suitable as the capital of this country, will the Government consider whether it is not better to wait before spending so much money.

Mr. Speaker: Has the Honourable Minister heard the question?

The Honourable Shri N. V. Gadgil: No, Sir.

Mr. Speaker: In view of the fact that the climate of Delhi is not suited.....

Dr. B. V. Keskar: No, Sir. In view of the fact that Delhi is from every point of view not suitable as the capital of this country, will the Government consider whether it is not better to wait before spending such huge amounts for these buildings?

The Honourable Shri N. V. Gadgil: Suitability is a matter of opinion.

Shri H. V. Kamath: Will Government give an assurance that in future top priority will be given to the construction of residential houses and that building materials which are already so scarce and expensive will not be diverted to the construction of cinema houses, restaurants and hotels as has recently happened in a city of the United Provinces?

The Honourable Shri N. V. Gadgil: That is always kept in mind before permission is given. This Ministry has nothing to do with the construction of cinema houses in U.P.

Shri R. R. Diwakar: Is it a fact that some of the offices of the Secretariat are going to be transferred to Nasik?

The Honourable Shri N. V. Gadgil: It is not a question of some of the offices. The whole question of finding accommodation for additional offices or removing some offices suitably to some other place is under consideration.

The Honourable Pandit Jawaharlal Nehru: May I add to the reply which my honourable friend has given in regard to cinema houses and the rest. Government is of opinion that not a single further cinema house should be put up in India till other necessary requirements have been met. In fact we have written to all provincial Governments to put up an end to the building of unnecessary structures or even palatial private buildings. We have suggested that without Government permission no big construction should be made at all, whether private or any other.

Shri K. Hanumanthaiya: Does it apply to Indian States also?

Shri Ajit Prasad Jain: Is it not a fact that the sanction for the supply of steel or cement for the construction of cinema houses in U.P. has been given by the Government of India and not the provincial Government?

The Honourable Shri N. V. Gadgil: This question can properly be addressed to the Minister for Industry and Supply.

The Honourable Pandit Jawaharlal Nehru: That may have been a year or two ago.

FACILITIES GIVEN TO U. N. O. COMMISSION ON KASHMIR

2. *Mr. R. K. Sidhva: (a) Will the Honourable the Prime Minister be pleased to state whether it is a fact that a large number of men, with arms and ammunition belonging to Pakistan are on the Jammu and Kashmir soil?

(b) What is the number of raiders now fighting on that soil?

(c) What facilities are being given to the U. N. O. Commission who have arrived in India to study the question on the spot?

The Honourable Pandit Jawaharlal Nehru: (a) According to the evidence available to us there is no doubt that a large number of armed Pakistan nationals including units of the Pakistan army, are on the Jammu and Kashmir soil.

(b) Considerable numbers are engaged in the fighting but it would not be in the public interest to give precise figures.

(c) The Commission is being afforded courtesies and facilities that are usually given to International Commissions visiting the country and in accordance with our obligations under the United Nations Charter. With the kind permission of His Highness the Maharaja of Faridkot, office accommodation has been found for the Commission at Faridkot House. Assistance has also been extended in the matter of transport, hotel accommodation and office equipment.

Mr. R. K. Sidhva: May I know whether the Pakistan Government have confessed to the U.N.O. Kashmir Commission that their army is now fighting in the Kashmir front?

The Honourable Pandit Jawaharlal Nehru: We are not represented when these confessions take place.

Seth Govind Das: May I know if the Government of India have written to the Pakistan Government with respect to the news that has appeared in the papers that the Pakistan army is fighting in Kashmir and that the Pakistan Government has accepted this fact before the U.N.O. Kashmir Commission?

The Honourable Pandit Jawaharlal Nehru: Yes, Sir. Our High Commissioner in Pakistan has, at our instance, made the strongest representations and enquiries in that behalf.

Shri Khurshed Lal: In view of the fact that Pakistan army units are fighting in Kashmir, have the Government of India stopped the delivery of arms and ammunition and military stores which were to be delivered to Pakistan under the Partition arrangements?

The Honourable Pandit Jawaharlal Nehru: That is a rather complicated question which I can hardly deal with as a supplementary. There is a mutual arrangement by which many things of all types are coming in and many things are going. The main point that the honourable member has in mind is very much before the Government.

Shri H. V. Kamath: Now that the Pakistan Government has owned up its complicity in the Kashmir campaign, will Government take necessary steps to deal with Pakistan as an aggressor in accordance with the time-honoured traditions and conventions of international law and usage?

The Honourable Pandit Jawaharlal Nehru: Government will certainly follow those time-honoured usages and conventions of international law but they also include certain other factors which Government have to consider, for instance, factors in regard to commonsense.

Shri H. V. Kamath: What is commonsense, Sir?

Shri Ajit Prasad Jain: The Prime Minister has said in his speeches that the Pakistan Government have admitted that their nationals are on the soil of Kashmir. In view of that, have Government made a direct approach to the Pakistan Government asking whether Pakistan armies are fighting on the soil of Kashmir or not?

The Honourable Pandit Jawaharlal Nehru: I do not know which speech and whose, the honourable member is referring to. Private speeches do not make much difference.....

Shri Ajit Prasad Jain: I am referring to the speech made by the Prime Minister at Madras.

The Honourable Pandit Jawaharlal Nehru: I have said so and I propose to say so again. I have just said that we have made the strongest representations in this behalf to the Pakistan Government.

Shri M. Ananthasayanam Ayyangar: May I know how long the Pakistan Government have been making preparations for coming out in the open and to take part in an open conflict with us?

The Honourable Pandit Jawaharlal Nehru: How can I answer about the secret preparations of another State and as to when they began?

Shri M. Ananthasayanam Ayyangar: Have we not got the necessary personnel to find out if any neighbouring state is making active preparations to invade our country or enter into a struggle with us?

Mr. Speaker: I think we may better proceed with the next question.

Shri R. R. Diwakar: Has it come to the notice of the Government of India that the Pakistan Government very recently—only two days ago—denied all the reports about their complicity in the Kashmir campaign?

The Honourable Pandit Jawaharlal Nehru: Yes, that particular statement has come to the notice of the Government but it is not a denial: in fact, it is something very near admission.

AGREEMENT re MOVEMENT OF PERISHABLE GOODS BETWEEN INDIA AND PAKISTAN

3. *Mr. R. K. Sidhva: (a) Will the Honourable Minister of Commerce be pleased to state whether it is a fact that the Inter-Dominion Conference recently held in Calcutta decided not to impose any restriction on the movement of perishable goods from one Dominion to the other?

(b) If so, has there been any breach on the part of the Pakistan Dominion and has the attention of the Government of India been drawn to it?

(c) Is it a fact that eggs, fish, vegetables and other perishable articles sought to be exported from Pakistan through Balla station in Habibganj Sub-division of Sylhet District have been stopped by the Pakistan Government?

(d) If so, have Government taken up the matter with the Government of Pakistan and if so, with what result?

The Honourable Shri K. C. Neogy: (a) and (b). Yes.

(c) Government have no information on the point. Enquiries have, however, been made from the Government of Assam and their reply is awaited.

(d) It all depends upon the information we receive from Assam.

Prof. N. G. Ranga: What progress has been made by Government in their efforts to transport these things by another route, so that our goods need not have to pass through Pakistan territory?

The Honourable Shri K. C. Neogy: My honourable friend has perhaps misread the question. The question relates to the movement of certain essential commodities, *viz.*, perishable goods like vegetables, eggs, fish, etc., from Pakistan to India.

Mr. R. K. Sidhva: May I know whether Government have no knowledge of the violation of this arrangement by Pakistan, *viz.*, the stopping of the perishable goods from Pakistan to India?

The Honourable Shri K. C. Neogy: Well, we do have. That is why I have answered both parts (a) and (b), in the affirmative.

Mr. R. K. Sidhva: What steps do Government intend to take in this matter?

The Honourable Shri K. C. Neogy: Government have made representations in the matter through their High Commissioner at Karachi to the Pakistan Government, and we hope to place this question for consideration at the next Inter-Dominion Conference.

Shri B. P. Jhunjhunwala: Has the Pakistan Government taken any objection to perishable goods being exported from India?

The Honourable Shri K. C. Neogy: I may point out to the Honourable member that as a part of the Calcutta agreement, periodical conferences between the Chief Secretary to the West Bengal Government, and the Chief Secretary to the East Bengal Government and whenever necessary the representatives of Assam, Tripura and Cooch Bihar, take place for the purpose of discussing these various questions. And some adjustments are expected to take place from time to time, and I am assured that some adjustments have taken place, as a result of such discussions. Only outstanding questions of this character, or complaints about restrictions, which require to be considered by the Central Government are made the subject matter of representations to the Pakistan Government.

Shri H. V. Kamath: Is it the policy of the Government to continue indefinitely these "friendly" inter-dominion conferences when the two dominions are belligerent enemies at point, that is to say, in Kashmir?

The Honourable Shri K. C. Neogy: I am concerned with the movement and exchange of certain commodities which are essential to people belonging to Pakistan as also to India, and I am not prepared to enter into any controversy over the wider issue that my honourable friend has raised.

Shri Suresh Chandra Majumdar: Is the Honourable Minister aware that not a single commodity sent to Tripura State, either by air or by railway, through Pakistan has been received?

The Honourable Shri K. C. Neogy: I have seen allegations to that effect. The Assam Government have stated that they would be forwarding Tripura's report on this question very soon.

Prof. Shibban Lal Saksena: Is the Honourable Minister aware that many of the wagons carrying goods, going from India to Pakistan, are detained—200 O.T. Railway wagons have been detained—and many goods have not been transported because the wagons are not returned?

The Honourable Shri K. C. Neogy: This goes beyond the scope of the original question, because I am concerned with specific types of goods like perishable articles—vegetables, etc., moving from Pakistan.

4. [WITHDRAWN.]

Mr. Speaker: Question No. 5. Mr. Sidhva.

Mr. R. K. Sidhva: What about Question No. 4, Sir?

Mr. Speaker: No. 4 is withdrawn.

Mr. R. K. Sidhva: No, I have not withdrawn it.

Mr. Speaker: I find it in my papers as "withdrawn" from today's list. According to the instructions of the honourable member it has been transferred to the list of questions of the 30th.

RECOVERY OF SUBSISTENCE ALLOWANCE PAID TO BURMA EVACUEES IN ORISSA

5. *Shri Lalbihari Sahu: Will the Honourable the Prime Minister be pleased to state:

(a) what policy has been adopted by Government to re-collect subsistence allowance money from the evacuees from Burma;

(b) whether the financial help given to the evacuees was on the condition of repayment;

(c) whether Government have directed the Provincial Governments to collect the relief money so given to the evacuees and if so, whether Orissa is included in this; and

(d) whether Government are aware that Orissa is the poorest of the Provinces and that the evacuees are not in a position to refund the money?

The Honourable Pandit Jawaharlal Nehru: (a) The policy of the Government of India is that recoveries should be made with due regard to the circumstances of each case so as not to cause unnecessary hardship to evacuees. Provincial authorities have been instructed to entrust the work of recoveries only to responsible officers. Recourse to legal action is taken only where persuasion has failed and an evacuee refuses to repay his debt without showing adequate justification.

(b) Yes, except in the case of refugee-orphans and evacuee university students.

(c) Yes. Money was given as a recoverable advance and not as an outright grant.

(d) Without expressing an opinion on whether Orissa is or is not the poorest Province in India, I would invite the attention of the honourable member to the reply given to part (a) of the question, stating the principle on which recoveries are to be made.

Prof. N. G. Ranga: In view of the fact that most of the evacuees were too poor and were not in a position while they were in Burma even to earn Rs. 40 a month, would the Government consider the desirability of not trying to recover whatever advances were made to these very poor people?

The Honourable Pandit Jawaharlal Nehru: I have stated already that we are trying to consider all cases of hardship.

Prof. N. G. Ranga: What I have in my mind is not the case of a few individuals subject to some special hardship: there are large numbers of people who were themselves workers in Burma. Will Government give them any special consideration?

The Honourable Pandit Jawaharlal Nehru: If my honourable friend suggests that the whole thing should be written off, it is a matter for the House to consider. It is a matter of Rs. 12 crores.

Pandit Hirday Nath Kunzru: What is the number of persons and the amount involved?

The Honourable Pandit Jawaharlal Nehru: I think there is a subsequent question dealing with the amounts involved and I propose to put a statement on the table of the House.

Prof. N. G. Ranga: Is the Honourable the Prime Minister aware of the fact that lakhs of people who were in receipt of the subsistence allowance were not in a position to earn more than Rs. 40 a month in Burma while they were in Burma?

The Honourable Pandit Jawaharlal Nehru: No, Sir, I am not. It may be a fact. But I think incomes in Burma were above Rs. 40 at any time.

FINANCIAL HELP TO EVACUEES FROM BURMA AND EMBEZZLEMENT BY AN I. C. S. OFFICER OF BENGAL

6. *Shri Lakshminarayan Sahu: Will the Honourable the Prime Minister be pleased to state:

(a) the financial help that has been granted to each of the Provinces in the Indian Dominion in regard to the matter referred to in the preceding question;

(b) whether the entire amount spent on giving financial help to evacuees from Burma was borne by the Government of India and what the total amount so disbursed was;

(c) whether the Government of India were consulted by the British Government as well as by the Burma Government regarding the meeting of expenses on account of the financial help rendered to the Burma evacuees from the treasury of England and if so, what share has been allotted to the Government of India; and

(d) whether it is a fact that a crore of rupees was embezzled by an I.C.S. officer of Bengal, and if so, whether any action has been taken to recover the amount?

The Honourable Pandit Jawaharlal Nehru: (a) Provincial Governments have not been given any financial help as the entire expenditure incurred on evacuees has been borne by the Central Government. I lay on the table of the House a statement No. I showing the expenditure incurred by various Provinces during the financial years 1941—47 on evacuee relief on behalf of the Central Government.

(b) Yes. The total expenditure incurred up to 31st March, 1947 on Indian evacuees was Rs. 12,14,47,070 approximately inclusive of overhead charges. Separate figures of amounts actually disbursed to evacuees are not available.

(c) It was decided in consultation with His Majesty's Government in the United Kingdom and the Government of Burma that the expenditure incurred on Indian evacuees alone should be debited to the Government of India, while the expenditure on non-Indians should be debited to the Governments concerned. I lay on the table of the House a statement No. II showing the authorities and the different categories of non-Indian evacuees for whom they are financially responsible.

(d) The honourable member is presumably referring to the case against Mr. S. K. Ghosh, I.C.S., who is being prosecuted in court on a charge of embezzlement of Government funds amounting to many lakhs of rupees. The case is still *sub judice*.

Statement I

Showing the expenditure incurred by various Provinces during the financial years 1941-47 on evacuee relief on behalf of the Central Government

Province	Amount
	Rs.
Madras	4,78,08,172
Bombay	48,06,249
Bengal	5,15,13,677
United Provinces	26,32,501
Punjab	8,58,427
Bihar	6,95,146
C. P. and Berar	1,57,415
Assam	77,49,911
Orissa	49,64,181
India (Hyderabad, Central India, Rajputana, etc.)	2,61,391
Total	12,14,47,070

Statement II

Showing the authorities and the different categories of non-Indian evacuees for whom they are financially responsible.

Authority to which cost is debitable	Classes of evacuees
(I) Government of Burma	(a) All Burmans, Anglo-Burmans, Anglo-Indians, European British subjects and all other evacuees who are British subjects other than Indians evacuated from Burma to India.
	(b) All Burma Government servants irrespective of their nationality whose services have not been terminated by that Government.
(II) His Majesty's Government.—	
(i) Colonial Office	European British evacuees and other evacuees of non-Indian domicile who are British subjects from Hongkong and Malaya.
(ii) Foreign Office	(a) All British subjects not covered by (I) above.
	(b) Evacuees from Middle East, the Balkans, Malta and Siam.
	(c) Greek and Czech evacuees irrespective of the country from which they might have been evacuated to India provided that they belongd to parties whose evacuation to India was sponsored by their own Governments.
(III) Polish Government	Poles.
(IV) Royal Netherlands Government	Subjects of the Netherlands East Indies.

Pandit Hirday Nath Kunzru: May I know the number of people from whom Government are trying to recover the subsistence allowance and the total amount that was to be recovered?

The Honourable Pandit Jawaharlal Nehru: I am sorry I cannot give those figures offhand; I shall have to enquire.

Prof. N. G. Ranga: Does this process of recovery of the subsistence allowance include going to courts against those people who have no property to show?

The Honourable Pandit Jawaharlal Nehru: That would be a very foolish procedure indeed.

Pandit Hirday Nath Kunzru: Has the Honourable the Prime Minister satisfied himself that the amount is so large as to be worth recovering?

The Honourable Pandit Jawaharlal Nehru: I am prepared to go into this matter and find out exactly the details that the honourable member wants and try to satisfy myself how far it is worth while to recover the amount.

Shri M. Tirumala Rao: Since how long has this process of recovery been going on?

The Honourable Pandit Jawaharlal Nehru: So far as I know, it has been going on for some time—over a year—but I am not quite sure.

Shri L. Krishnaswami Bharathi: Apart from the criminal proceedings referred to by the Honourable the Prime Minister, may I know whether any steps were taken to recover any amount?

The Honourable Pandit Jawaharlal Nehru: I would rather not make statements without verification.

REHABILITATION DEPARTMENTS IN PROVINCES FOR AID TO EVACUEES FROM BURMA

7. *Shri Lakshminarayan Sahu: Will the Honourable the Prime Minister be pleased to state:

(a) whether there are separate Rehabilitation Departments established for the purpose of rendering aid to Burma evacuees in the Provinces of Bihar, Madras and Bengal and not in Orissa; and

(b) whether the Government of India have ordered the winding up of the Relief organisations and the stopping of the financial help to the evacuees and if so, the reasons therefor?

The Honourable Pandit Jawaharlal Nehru: (a) No separate Rehabilitation Department in any Province in India has been established by the Government of India for the welfare of evacuees from countries overseas.

(b) The scheme of assistance to evacuees was instituted to tide over the immediate needs of the evacuees and remained in force for nearly six years. It was considered that this period was long enough to afford the evacuees ample opportunities to rehabilitate themselves and as the Government of India could not incur expenditure indefinitely, the scheme was wound up on February, 29, 1948. The scheme for the long-term maintenance of refugee orphans is, however, being continued. The expenditure on refugee-orphans is shared between the Central Government and the Provincial Governments in the ratio of 50:50.

Shri M. Ananthasayanam Ayyangar: May I know whether any statistics have been collected regarding any properties which the evacuees may have in Burma, and if so whether any effort is being made to recover that money and rehabilitate them here?

The Honourable Pandit Jawaharlal Nehru: Does the honourable member mean recovery of properties in Burma?

Shri M. Ananthasayanam Ayyangar: Yes.

The Honourable Pandit Jawaharlal Nehru: I should imagine that that is a very hard and difficult undertaking in the present circumstances.

Shri O. V. Alagesan: Will Government consider the desirability of the continuance of financial help in the case of evacuee orphans and students who cannot earn their livelihood?

The Honourable Pandit Jawaharlal Nehru: I have just stated that refugee orphans are still being helped.

COMPENSATION TO EVACUEES FROM BURMA

8. *Shri **Lakshminarayan Sahu:** Will the Honourable the Prime Minister be pleased to state:

(a) whether Government are aware that the Government of Burma had agreed after consultation with the United Kingdom to bear the expenses in connection with the payment of compensation for war damages sustained by evacuees in Burma, Mulaya etc., owing to war conditions;

(b) if so, whether the Government of India ever enquired from or contacted the Government of the U. K., regarding this affair; and

(c) whether Government have received representations from Provincial Governments to meet the demands on account of the loss of property etc., of the evacuees during the period of the war?

The Honourable Pandit Jawaharlal Nehru: (a) Government have no information.

(b) The Government of India have sent no communication to the Government of the United Kingdom on the subject.

(c) No. On the cessation of hostilities and the re-establishment of Civil Government in Burma claims from Indians which were received and registered by the Government of India were passed on to the Government of Burma for disposal and the applicants were advised to correspond direct with that Government in the matter. The Burma War Damage Claims Commission was set up in December, 1946 and has been dealing with this matter ever since.

Shri M. Ananthasayanam Ayyangar: What part is our High Commissioner in Burma playing in trying to get help to the evacuees who have lost their property in Burma?

The Honourable Pandit Jawaharlal Nehru: Who are in Burma?

Shri M. Ananthasayanam Ayyangar: No, those evacuees from Burma who are in India, who have left their properties behind. I heard our Prime Minister to say that they have been directed to correspond with the Government of Burma directly. Instead of doing so, is the High Commissioner doing anything to help the evacuees to recover any part of the property?

The Honourable Pandit Jawaharlal Nehru: The Government of India and the High Commissioner in Burma are doing their utmost. It is not a question of helping individuals: if it had been we would give all possible help to deal with the problem. But the question raised is rather a basic one and we are trying to do our best possible. But the honourable member will appreciate that in the circumstances at present existing in Burma, it is a little difficult to raise or discuss these matters to any advantage.

Pandit Hirday Nath Kunzru: Can the Prime Minister tell us whether the Government of Burma have prepared any scheme for compensating those nationals of their own who lost their property during the war, either through their own action or through enemy action?

The Honourable Pandit Jawaharlal Nehru: I understand that in March, 1948 the Burmese Parliament passed a non-official Resolution asking the Government to approach the British Government for payment of compensation to Burmese nationals only. The Burmese attitude seems to have been that it was up to the Indian Government, or the Chinese Government, to ask for compensation with regard to losses suffered by their nationals. Our Ambassador in Rangoon was thereupon instructed to make a representation to the Government of Burma that in respect of losses suffered by residents in Burma, that Government should not make any distinction between Burmese nationals and nationals of other countries, and that the Government of India were prepared to join the Government of Burma in making a joint repreaentation. At present claims of Indian nationals in Burma, Malaya and other British colonies in the Far East have not been included, if I may inform the honourable member, in India's reparation claims against Japan.

Prof. N. G. Ranga: What have been the results of that representation made by the Government of India to the Government of Burma?

The Honourable Pandit Jawaharlal Nehru: No, very definite results have thus far followed; these things go backwards and forwards in correspondence. But again I may remind the House that conditions in Burma are such that it is a little difficult to deal with these matters.

RESETTLEMENT OF MEOS IN GURGAON DISTRICT, EAST PUNJAB

9. ***Sardar Bhopinder Singh Man:** (a) Will the Honourable Minister of Relief and Rehabilitation be pleased to state whether it is a fact that the Government of India have advised the East Punjab Government to resettle Meos in Gurgaon?

(b) Is it a fact that this will cause further shortage of land in East Punjab which is otherwise available for resettlement of refugees?

(c) Do Government propose to make available alternative pieces of land to Punjab refugees in lieu of the land to be taken up by Meos in Gurgaon District?

The Honourable Shri Mohan Lal Saksena: (a) No final decision has so far been taken. The Joint Rehabilitation Board has appointed a Committee to prepare for its consideration a definite scheme for the resettlement of displaced Meos now in the Gurgaon District in a compact area on the borders of the Gurgaon District and the Matsya Union the area being either wholly in the Gurgaon District or the Matsya Union or including contiguous parts of both.

(b) and (c). If the scheme is finally accepted and land in the Gurgaon District is allotted to Meos who have come from Alwar and Bharatpur, equivalent areas in the Matsya Union will be made available to refugees from West Punjab.

Shri H. V. Kamath: Is the Honourable Minister aware that Government's goodness here is mistaken elsewhere for weakness, and further that liberal measures and generous gestures here without reciprocity of goodwill in Pakistan are swelling the tide of discontent in our country?

Mr. Speaker: Order, order. It is entering into a discussion.

Shri Ajit Prasad Jain: May I know what is the number of Meos awaiting rehabilitation in Gurgaon District, and what is the area which they are claiming?

The Honourable Shri Mohan Lal Saksena: The number of Meos from Matsya Union and Gurgaon District is 60,230.

Shri Jainarain Vyas: May I know, Sir, by what time a final decision will be taken in the matter of resettlement of these Meos?

The Honourable Shri Mohan Lal Saksena: In the course of a few weeks. This Committee has been requested to submit a report, which might take four or five weeks.

Mr. Z. H. Lari: Are the Meos citizens of the Indian Dominion and as such entitled to sympathy of Government?

श्री मोहन लाल गौतम : क्या गवर्नमेंट यह बतलाने की मेहरबानी करेगी कि जो मेव इस वक्त अपने घरों में बसे हुए हैं उनका मामला भी अभी जेरे गौर है या नहीं ।

The Honourable Shri Mohan Lal Saksena: Yes, they are.

Shri Mohan Lal Gautam: Will Government please state whether the problem of Meos who are still living in their homes is also under consideration?

आनरेबिल श्री मोहन लाल सक्सेना : जो मेव अपने मकानों में बसे हैं उनका मामला जेरे गौर इसलिये है कि वहां पर उनके रहने से खतरा है । अगर यह फैसला किया जायगा कि मेवों को एक साथ बसाया जाय तो उनको वहां भेजा जायगा वरना वह वहीं रहेंगे ।

The Honourable Shri Mohan Lal Saksena: As the presence of Meos in their homes is dangerous, the matter is under consideration. If it is decided to settle them in one compact area, then they will have to be sent to that area, otherwise they will be allowed to live where they are.

श्री मोहन लाल गौतम : क्या अगर वहां उनके रहने से खतरा होगा तो यह माने हैं कि गवर्नमेंट उनको अपने घरों से निकाल देगी ।

Shri Mohan Lal Gautam: Does this mean that Government will turn them out of their home if their presence there proves dangerous?

आनरेबिल श्री मोहन लाल सक्सेना: नहीं बल्कि अगर उनके लिये खतरा हो तब ।

The Honourable Shri Mohan Lal Saksena: No; if they are themselves in danger.

श्री मोहनलाल गौतम: क्या निकालने के वक्त उनकी भी रजामन्दी ली जायगी ?

Shri Mohan Lal Gautam: Will their consent be taken when they are evacuated?

आनरेबिल श्री मोहन लाल सक्सेना: यह तो हाइपोथेटिल, क्वश्चन (hypothetical question) है ।

The Honourable Shri Mohan Lal Saksena: This is a hypothetical question.

Shri Ajit Prasad Jain: May I know what is the policy underlying the rehabilitation of these Meos in one compact bloc? Do Government not think that it will encourage communal tendencies?

The Honourable Shri Mohan Lal Saksena: As a matter of fact they were already settled in a compact area; but instead of taking the Meos to different areas where questions of law and order may arise, this Committee is considering the possibility of settling them in a compact area lying either wholly in Gurgaon or in Matsya Union, or in contiguous areas lying in both the Gurgaon District and the Matsya Union.

श्री मोहन लाल गौतम: क्या गवर्नमेंट यह बताने की मेहरबानी करेगी कि पिछले एक साल में गुड़गांव जिले में कितने मेव रह रहे हैं और उनकी वजह से कोई खतरा हुआ या नहीं, उनसे या उनको, दोनों को ।

Shri Mohan Lal Gautam: Will the Government be pleased to state the number of Meos living in the Gurgaon District during the last one year, and whether their presence there has resulted in any danger either to them or to others?

आनरेबिल श्री मोहन लाल सक्सेना: मैं समझता हूं कि जहां तक उनके खतरे का ताल्लुक है वह सवाल तो उठता नहीं। मैं ने जो कहा था वह यह था कि अगर कोई मेव अपने मकानों में मत्स्य यूनियन में रह रहे हैं और अगर वह नहीं हटाये जावेंगे तो उनके रहने से उनको खतरा है।

The Honourable Shri Mohan Lal Saksena: I take it that the question of danger from them does not arise. What I had stated was that if any Meos who are living in their homes in the Matsya Union are not removed, their presence there will be a source of danger to them.

Shri Mahavir Tyagi: Is it a fact that the lands which were vacated by the Meos have now been occupied by those refugees who came from Pakistan?

The Honourable Shri Mohan Lal Saksena: Not the whole of that land has been occupied by the refugees; much of it is lying vacant.

Shri K. Hanumanthaiya: Is the Government of Pakistan taking back any of the non-Muslim refugees from India?

The Honourable Shri Mohan Lal Saksena: How does it arise from this?

RESETTLEMENT OF MEOS IN GURGAON DISTRICT EAST PUNJAB

10. ***Sardar Bhopinder Singh Man:** (a) Will the Honourable Minister of Relief and Rehabilitation be pleased to state whether it is a fact that no Hindu or Sikh now lives in West Punjab because of wholesale evacuation?

(b) Is it a fact that the Meos of Gurgaon are still living there and many more are returning to settle in Gurgaon? If so, what is their total number?

(c) Is it a fact that the Meos of Gurgaon were involved in a large scale riot in 1947 against the Hindu population of the adjoining districts?

(d) Is it a fact that they had demanded Meostan for themselves on the initiative and suggestion of the Muslim League?

The Honourable Shri Mohan Lal Saksena: No. A few thousand still remain.

(b) Yes. Many of them have returned; but with the introduction of the permit system further influx has been arrested. It is not possible to give the exact number.

(c) Yes.

(d) Yes.

Shri H. V. Kamath: Arising out of answer to (b), with India and Pakistan at war on Kashmir soil, does the Minister think that the return of refugees in such large numbers from Pakistan to India is compatible with military expediency and security?

Mr. Speaker: Order, order. It need not be replied; he is asking for opinion.

श्री मोहन लाल गौतम: क्या गवर्नमेंट को यह मालूम है कि मुस्लिम लीग के अलावा कुछ और पोलीटिकल पार्टीज भी मेवस्तान मूवमेंट movement चलाने में रहनमाई कर रही थीं;

Shri Mohan Lal Gautam: Are the Government aware of the fact that besides the Muslim League some other political parties were also playing a leading role in initiating Meostan Movement?

why I stand up is I am a poor man. I have got consideration for a poor man. This measure is not going to affect my estate at all. But if a European starts some measure, however good it may be, I would only take it with a pinch of salt. On that ground alone, I would ask him to put it off for some time.

Now, let me go to the agricultural land. I will read out that portion of the Selec Committee's Report which is common to all of us. My honourable friend Mr. Sidhva bas also signed the Report.

Mr. R. K. Sidhva: I have of course signed, but was the honourable member present at the meeting?

Shri M. Ananthasayanam Ayyangar: Well, I signed the Report and I stand by what I signed; my friend does not. (Interruption). Let us not carry on conversations across the table. I am entitled to speak and convince my friend.

Mr. R. K. Sidhva: I have of course signed, but was the honourable member he has not read it fully.

Shri M. Ananthasayanam Ayyangar: I have read it fully. It is in a corner and understandable to nobody except himself.

Now, I will read out the relevant portion:

"We have given anxious consideration to the proposal of the Finance Minister. We realize that to a very large extent the points raised by him were present to the mind of the members of the Legislature when it passed the motion to refer the Bill to the Select Committee and therefore cannot be said to raise questions which are new. Nevertheless the Committee with the exception of Mr. Sidhva felt that the arguments advauced by the Honourable the Financo Minister in support of bis proposition that the consideration of the Bill by the Select Committee be postponed are weighty and should be allowed."

I do not know if the word "weighty" allows of superlative or comparativ It is sufficiently strong in itself. That is the considered opinion of all members except my honourable friend Mr. Sidhva.

Now, let me come to the merits. My friend Mr. Santhanam said, it is a lame excuse to say that this does not affect agricultural property. With great respect to him, I would say this, that the comparison of income-tax and this does not fit in. It is true that agricultural land is not liable to Central income-tax, but more than this income-tax every inch of land in this country is taxed to the hilt. If income-tax is imposed on agricultural land also, poor agriculturalists who own ten cents or one acre or one and a half acres will be free from taxation. They will all be free from taxation. But the land tax is a taxation measure much more onerous than any measure which has been conceived of. A man who owns ten cents has to pay out of proportion to his income, while a man getting Rs. 2,000 by salary or income or property other than agricultural land is now exempt from taxation. Under these circumstances, there is no analogy between the one and the other. It is true that it ought to be brought in line with the rest, but the exact reason is that till now income-tax legislation has also been dealt with at the Centre and every inch of land is liable to taxation somewhere or the other. What about death duty? If we pass legislation here exempting agricultural property, is death duty recovered in any form or shape by way of revenue or otherwise in any part of any of the Provinces in this country? No. There is no correspondence. Whereas agricultural land is exempt from central income-tax it is liable to some tax or revenue which is more than this. There is no correspondence here. I am repeating this argument for this reason. Let us take a person who has got a lakb of rupees he has earned. His property is not agricultural property. Another man has invested all his property in agricultural land. We will assume be has 5 or 10 laklis. The one man will be exempt from taxation, the death duty, the measure which we want to

The Honourable Shri Mohan Lal Saksena: That is so. There are Meos who have come from Pakistan but only the question of rehabilitating those who were in India is engaging the attention of Government.

Seth Govind Das: What is going to happen about those Meos who had gone to Pakistan and who are returning to India? Are they also going to be rehabilitated in those areas where other Meos are living at present?

The Honourable Shri Mohan Lal Saksena: So far as these Meos are concerned, I have already said that the rehabilitation of non-Muslims who have come from Pakistan will have priority. After that, if any land is left, it may be given to these Meos.

श्री मोहन लाल गौतम : क्या गवर्नमेंट को यह मालूम है कि मैनों से जो झगड़े हुए थे वह आपस में तय हो गये थे और उसके बाद हिन्दू और मेव आराम से रहते थे और जो मेव वहां गये हैं वह पार्टीशन के बाद गये हैं ।

Shri Mohan Lal Gautam: Are Government aware of the fact that the trouble between the Meos and Hindus had ended and after that the two communities were living peacefully and Meos who had gone there went after the partition?

आनरेबिल श्री मोहन लाल सक्सेना : वह ठीक है । लेकिन पार्टीशन के बाद जो गये हैं उस वक्त भी झगड़े चल रहे थे ।

The Honourable Shri Mohan Lal Saksena: Yes. This is true. But the trouble was going on even after the partition when they went.

श्री मोहन लाल गौतम : क्या यह वाक्य नहीं है कि जिस वक्त मेव गये हैं उसके कई महिनों पहले मेव और हिन्दुओं की आपस में पंचायतें होकर उनके झगड़े तय हो गये थे और वह आराम से यहां रहते थे ?

Shri Mohan Lal Gautam: Is it not a fact that many months before Meos left, they were able to reconcile their differences with the Hindus through the Panchayats and they were living there peacefully?

आनरेबिल श्री मोहन लाल सक्सेना : इसके लिए नोटिस की जरूरत है ।

The Honourable Shri Mohanlal Saksena: I require notice.

श्री मोहन लाल गौतम : तो फिर गवर्नमेंन्ट ने यह किस बिना पर कह दिया कि झगड़ों के बाद ही मेव चले गये थे । अगर यह इत्तिला नहीं है कि यह आराम से रहने लगे थे तो यह किस बिना पर कहा गया कि झगड़े से पहले वह चले गये थे ।

Shri Mohan Lal Gautam: Then on what basis did the Government say that the Meos went after these troubles? If the Government are not aware of the fact that the Meos continued to live peacefully, then on what basis it was stated that they had left before the disturbances took place?

आनरेबिल श्री मोहन लाल सक्सेना : जहांतक झगड़ों का ताल्लुक है यह सन् ४७ में हुए और वह लोग सन् ४७ में ही गये । उस वक्त कंडीशन्स (conditions) सेटल्ड (settled) नहीं हुई थीं। तो यह नहीं हुआ कि कं

महिने बाद झगड़े हुए। लेकिन यह जरूर है कि कंडीशन्स (conditions) सेटल्ड (settled) नहीं हुई थीं और उनको वहां से जाना पड़ा था।

The Honourable Shri Mohan Lal Saksena: So far as the disturbances are concerned, these took place in 1947 and these people also left during that year. The conditions prevailing at that time were unsettled, so this was not the case that the disturbances occurred after some month. But the fact remains that they had to go, as the conditions were not settled.

The Honourable Pandit Jawaharlal Nehru: I think it will probably be helpful to honourable members of the House to have the facts in succinct form apart from the policies to be pursued. A Fact Finding Committee was appointed by the Rehabilitation Board. The Committee consisted of a member of the Relief and Rehabilitation Ministry, a member representing the East Punjab Government and a member representing the Matsya Union. That Committee spent about two or three weeks in touring all these areas in Gurgaon and the Matsya Union, that is, Alwar and Bharatpur, and produced a very comprehensive report giving all the facts. I suggest to my colleague, the Minister for Relief and Rehabilitation to place a copy of that Report on the Table of the House containing just the facts only, so that you may be clear about facts and then it would be easier to decide about policies.

The Honourable Shri Mohan Lal Saksena: I will do so.

LAND LEFT BY MUSLIMS IN INDIA AND BY HINDUS AND SIKHS IN PAKISTAN

11. *Sardar Bhopinder Singh Man: (a) Will the Honourable Minister of Relief and Rehabilitation be pleased to state whether it is a fact that Hindus and Sikhs have left more land in Pakistan than Muslims who have gone to Pakistan have left behind in India?

(b) If so, how are Government going to meet this difference?

The Honourable Shri Mohan Lal Saksena: (a) Yes.

(b) The Government do not contemplate to make up this difference.

REHABILITATION OF REFUGEES AND ABSORPTION OF DISPLACED GOVERNMENTS SERVANTS

12. *Pandit Mukut Bihari Lal Bhargava: Will the Honourable Minister of Relief and Rehabilitation be pleased to state:

(a) the number of refugee camps still maintained by the Government of India and the amount spent thereon, both recurring and non-recurring;

(b) the number of institutions started by Government for the education of the refugee boys and girls and the amount spent thereon, both recurring and non-recurring;

(c) the number of refugees who have already settled in various Provinces and States of the Union;

(d) the amount spent in advancing loans to the refugees in various parts of the country;

(e) the number of refugees to whom employment has already been provided and also of those who are still out of employment;

(f) the number of refugees absorbed in various occupations, industries, business, and services in Government and semi-Government institutions; and

(g) the number of non-Muslim Government servants who opted out to India and the number of those who have already been absorbed in Central and Provincial services?

The Honourable Shri Mohan Lal Saksena: (a) Twelve Refugee Camps are maintained by the Central Government. The information in respect of recurring and non-recurring expenditure is being collected and will be laid on the table in due course.

(b) The information is being collected and will be laid on the table in due course.

(c) About 28 lakhs.

(d) Information is being collected and will be laid on the table in due course.

(e) A statement giving required information is laid on the table.

(f) About 7,500 refugees have been employed in the various Ministries of the Government of India. Government have no information in respect of absorption of refugees in other trades or by Provincial Governments.

(g) The information is being collected and will be laid on the table in due course.

Statement

	Registered	Provided employment	Unemployed
1. Employment Exchanges	2,19,826	46,621	1,73,205
2. Transfer Bureau	9,395	5,333	4,062
3. Ministry of Health (Doctors)	841	231	610
4. Ministry of Agriculture (Technical Personnel)	1,227	654	573
5. Ministry of Education (Teachers)	1,545	650	895
6. Special Employment Bureau	1,457	46	1,411
TOTAL	2,34,291	53,535	1,80 756

Figures of refugees who have found employment through sources other than the abov are not known.

Seth Govind Das: With respect to clause (c) of the question, is it a fact that from certain Provinces where refugees were sent those refugees, without informing the Provincial Governments, have left those places and have gone to other places where they were not likely to be rehabilitated?

The Honourable Shri Mohan Lal Saksena: Yes, complaints have been received to that effect from different Provincial Governments.

Seth Govind Das: And what is the Government of India going to do with respect to these complaints?

The Honourable Shri Mohan Lal Saksena: So far as the Government of India is concerned, they have issued instructions to the Provinces and the States that only those refugees who have been registered there will be entitled to rehabilitation help. Those who have left the places where they were sent, without permission, their cases will not be considered.

Shrimati Renuka Ray: Would the Honourable Minister kindly inform the House as to how many refugees from East Bengal have been included in the quota of employment that has been given by the Central Government and its attached offices to refugees?

The Honourable Shri Mohan Lal Saksena: I would require notice.

Srijut Rohini Kumar Chaudhuri: May I know if there is an educational institution called "Camp College" in New Delhi for refugee students?

The Honourable Shri Mohan Lal Saksena: It does not arise from the question, except that the word "camp" occurs both in the question and the name of the College.

Shri Ajit Prasad Jain: In view of the fact that the Honourable Minister has stated with regard to so many parts of the Question that information is being collected, may I take it that the Ministry of Relief and Rehabilitation is not keeping itself in touch with the progress in the matter of relief and rehabilitation at different places?

The Honourable Shri Mohan Lal Saksena: No, it is not so. The Ministry is keeping in touch with the process of rehabilitation that is going on in different Provinces, but the Honourable member must be aware that it takes a certain amount of time to get exact information. We have asked for information and the information is likely to be received I think in the course of a few days. We had asked for it, in fact, to be sent by the 1st August, but it has not been received from the Provinces and it will serve no useful purpose to give only information relating to one or two Provinces which we have got.

Mr. R. K. Sidhva: Arising out of the answer to part (a) regarding the amounts spent on refugees, may I know if it is a fact that in some Provinces refugees are paid cash for ration and if so, whether that system has proved satisfactory?

The Honourable Shri Mohan Lal Saksena: Yes, it is a fact and I think it is proving more satisfactory than the other system in a certain way.

Mr. R. K. Sidhva: Will Government instruct all the Provinces that they must pay in cash?

The Honourable Shri Mohan Lal Saksena: So far as the Provincial Governments are concerned, it has been left to their discretion to follow whichever system they want to follow. It is just possible that in certain Provinces this ration system may be working better because of the dearness and rise in prices of foodstuffs.

Mr. R. K. Sidhva: Will the Government advise the Provincial Governments to that effect?

Mr. Speaker: That is a suggestion for action.

Seth Govind Das: With respect to the answers which the Honourable Minister gave in reply to my supplementaries that Government is responsible only for the rehabilitation of refugees whom they are sending to various Provinces, are the Government aware that those refugees who go away from their respective areas where they are sent, create a lot of confusion in normal life of many cities and what steps are Government going to take in this respect?

The Honourable Shri Mohan Lal Saksena: I do not know what the Honourable member is driving at, but the first step that has been taken is to convene a Conference of the Premiers and the representatives of the States to devise ways and means for the working out of a co-ordinated scheme of rehabilitation and also to put an end to the troubles to which the honourable member has referred.

Srijut Rohini Kumar Chaudhuri: May I know if it is a fact that loans have been granted also to students? If so, what is the total amount and what is the amount given per head?

The Honourable Shri Mohan Lal Saksena: So far as the total amount is concerned, I am not aware, but so far as individual loan is concerned, it varies from about Rs. 200 to 750.

Srijut Rohini Kumar Chaudhuri: Is the question of granting further loan to students who have applied for them still under the consideration of Government?

The Honourable Shri Mohan Lal Saksena: No; as a matter of fact a scheme for granting loans to the students was issued on 8th January 1948. It was just brought to this House and approved. No objection was raised. It is only recently that trouble arose in Delhi; otherwise the scheme has been working well and Government has no intention of making any further changes in the scheme. The scheme is only meant for the completion of the education of a studeut which was interrupted because of the trouble and not intended for further education, and this has been specifically stated. So far as I am aware this question was never raised in this House, neither during the budget nor by means of any questions and no suggestion was made to that effect.

Srijut Rohini Kumar Chaudhuri: Referring to answer to part (b) did the Minister say that the College Camp in Delhi was not included in the number of educational institutions started by Government?

The Honourable Shri Mohan Lal Saksena: If the Honourable member will refer to the question, he will find that the question related only to refugee camps.

Mr. Speaker: That question has been clarified. It has nothing to do with the camps mentioned here.

Srijut Rohini Kumar Chaudhuri: If it is not included, I have nothing to say.

The Honourable Shri Mohan Lal Saksena: It is not started by Government for the benefit of the University of East Punjab, but for the benefit of those students whose parents were residing in Delhi and were not able to go to East Punjab for want of accommodation there. It was not meant for those students who have joined from Punjab and who now want accommodation and other facilities.

श्री गोकुलभाई दौलतराम भट्ट : निर्वासितों के शिक्षा प्रबन्ध और उनके पुनर्वसवाट, स्वास्थ्य और लोन (loan) के जरिये मदद देने का जो तरीका है और जिस तरीके से आज काम चल रहा है, उससे क्या सरकार को पूरा सन्तोष है ?

Shri Gokulbhai Daulatram Bhatt: Are Government fully satisfied with the relief measures adopted in respect of education, rehabilitation, health and grant of loans to the refugees and the manner in which this work is being done at present?

आनरेबिल श्री मोहन लाल सक्सेना : बिलकुल सन्तोष है ।

The Honourable Shri Mohan Lal Saksena: Government are fully satisfied.

Dr. P. S. Deshmukh: May I know if the Government has so far given or if the Government propose to give any help to those people who are being forced out of the Hyderabad State owing to disturbed conditions there?

The Honourable Shri Mohan Lal Saksena: I think the question should be addressed to the Ministry of States.

Shri Suresh Chandra Majumdar: Arising from the answer given by the Honourable Minister, I want to know whether the refugees from East Bengal have been included in the employment scheme of the Government of India?

The Honourable Shri Mohan Lal Saksena: Yes.

ACTION AGAINST SMUGGLING OF ARMS TO HYDERABAD

†13. *Shri Biswanath Das: Will the Honourable the Prime Minister be pleased to state:

(a) whether the attention of Government has been drawn to the reply given by Mr. Philip Noel Baker in the British Parliament on the question of the protests made by the Indian Government regarding the smuggling of arms over Indian territory into Hyderabad;

(b) whether Government propose to place their letter of protest and the British reply on the table of the House; and

(c) what action Government have taken besides protesting to the British Government, to prevent such smuggling?

The Honourable Pandit Jawaharlal Nehru: (a) Yes.

(b) Representations to the British Government were made orally through their High Commissioner and were similarly supplemented by our High Commissioner in London. No written communication was made to the United Kingdom Government.

(c) The following are some of the steps taken by Government:

(i) By a notification issued under the Indian Aircraft Rules, all aircraft flying to Hyderabad over the Indian territory are required first to land at a Customs airport for examination.

(ii) The licence issued to the Deccan Airways, which is a Hyderabad firm, to run a service between Hyderabad and the Indian Union has been cancelled.

(iii) Indian companies running services *via* Hyderabad have been ordered not to stop their planes at Hyderabad.

(iv) No chartered flight to Hyderabad shall be made without the prior consent of the Government of India.

FUNCTIONS AND APPOINTMENT OF INDIAN COMMISSIONERS IN BRITISH COLONIES

14. *Shri B. Shiva Rao: (a) Will the Honourable the Prime Minister be pleased to state the terms of the agreement between the Government of India and the British Colonial Office regarding the appointment of Indian Commissioners in British East Africa, British West Indies, Mauritius and Fiji?

(b) Has the attention of Government been drawn to a statement of the British Colonial Office on July 14, 1948 that "these Commissioners will be concerned only with Indians visiting their territories otherwise than for the purpose of permanent residence—merchants and other business people and professional men and women of all classes. They will give information and advice and, in extreme cases, practical financial assistance"?

(c) Will the Indian Commissioners in the Colonies mentioned above have no authority to deal with the problems of Indians permanently resident in those territories?

The Honourable Pandit Jawaharlal Nehru: (a) It has been agreed between the two Governments that the Government of India's Commissioners in British

†Answer to this question laid on the table, the questioner being absent.

East Africa, British West Indies, Mauritius and Fiji should have the following functions:

(i) To discharge on behalf of the Government of India duties analogous to those of the Consular Representatives in foreign countries *e.g.*, assistance in commercial matters and issue and renewal of passports to individual Indians and the granting of visas for the purpose of travelling to India.

(ii) To promote friendly relations between India and the Governments of the territories concerned and to that end to explain to those Governments whenever necessary the point of view of Indians who are in those territories otherwise than for the purpose of permanent residence.

(iii) To look after the commercial and other interests of India in the territories concerned.

(iv) To keep the Government of India promptly and regularly informed of the policies and actions of the Governments of those territories.

(b) Yes, Sir.

(c) In accordance with our agreement with the United Kingdom Government, the Indian Commissioners will not be entitled to discharge consular functions in respect of Indians who may not be considered Indian nationals, that is, those permanently resident in these territories or to act as the spokesmen of such Indians with the Governments of the territories concerned.

Shri K. Santhanam: May I know, Sir, if the Indians settled in those territories are full citizens and enjoy equal rights with the British settlers?

The Honourable Pandit Jawaharlal Nehru: That varies I think; I do not suppose one answer would cover the whole ground.

Shri K. Santhanam: May I know, Sir, if it is not the convention that where Indians are not enjoying full citizenship, our representatives will have the right to protect them?

The Honourable Pandit Jawaharlal Nehru: That has been the convention in the past and no doubt we shall try to do our utmost, but this question does arise as to what nationality they belong to. It is a question of constitutional nationality. Either they are nationals of India or they are not. Undoubtedly in practice it will be the function of any Indian representative to help in every way, but to say that he properly represents them as a Consul is a little difficult, for they do not accept definitely Indian nationality.

Prof. N. G. Ranga: It has been the convention so far that our representatives should consider it one of their duties to look after the duties of Indians who are there and in view of the fact that this constitutional question has not yet been settled, will Government consider the advisability of representing to the Government of England that this unilateral decision on their part is not quite proper and that the earlier convention should still be considered to be in force until that constitutional question is settled?

The Honourable Pandit Jawaharlal Nehru: We had considerable correspondence on this issue and this is the result of this correspondence after great difficulty.

Prof. N. G. Ranga: We were defeated.

Pandit Hirday Nath Kunzru: Do Government propose to continue to make representations on behalf of the Indians resident in Mauritius, Fiji, British Guiana and other colonies as they have done in the past?

The Honourable Pandit Jawaharlal Nehru: That I think will largely depend on those Indians themselves there as to whether they choose to all themselves Indian Nationals or not. Even otherwise we shall try to help.

Seth Govind Das: With respect to Indians who are not nationals of those lands and are Indian nationals, will the Government of India be in a position to represent their case to the Colonial Office?

Pandit Hirday Nath Kunzru: Has the nationality of Indians resident in British colonies been in doubt so far?

The Honourable Pandit Jawaharlal Nehru: The question of nationality is in doubt everywhere at the present moment, that is, I am speaking of the British Commonwealth of Nations. As the honourable member is no doubt aware conferences have been held to determine that. There are suggestions that there should be a kind of dual nationality; no doubt each individual country has a nationality of its own; there is no doubt about it that India has not got a legal national ty today; it is going to have it very soon. The question arises what our relations are to those Indians who have settled down elsewhere who get food and other privileges of another national in those countries. We are intensely interested in them but legally can we represent them? That is a doubtful matter which will have to be decided as developments take place.

Mr. Speaker: The question hour is over.

(*b*) WRITTEN ANSWERS

PERSONS PROSECUTED FOR CHARGING PUGREE

15. *R. B. Lala Raj Kanwar: Will the Honourable Minister of Works, Mines and Power be pleased to state:

(a) the total number of persons prosecuted in Delhi (including New Delhi) during the past six months for charging 'Pugree' in connection with the sale and hire of their immovable property;

(b) the total number of persons convicted for the aforesaid offence;

(c) the highest punishment awarded in any case; and

(d) the total number of such cases detected by the Police during the same period?

The Honourable Shri N. V. Gadgil: (a) Eleven.

(b) None so far. Two persons were proceeded against under Section 512 Cr. P. C. and cases against the rest are pending in Court.

(c) Does not arise.

(d) Twelve, out of which two were sent to court for trial.

RENT FOR GOVERNMENT QUARTERS WRITTEN OFF AS IRRECOVERABLE AND ACTION AGAINST DEFAULTERS

16. *R. B. Lala Raj Kanwar: Will the Honourable Minister of Works, Mines and Power be pleased to state:

(a) the total amount of rent for Government quarters occupied by the officials of the Central Government belonging to various Departments, Members of the Legislature etc. written off as irrecoverable during the years 1945-46, 1946-47 and 1947-48?

(b) the names of officials who, during the above period, were in arrears of rent exceeding Rupees one hundred in each case;

(c) what effective steps were taken to recover the arrears before they were written off; and

(d) whether any Departmental action was taken against any of the defaulters or any attempt made to effect recovery through court?

The Honourable Shri N. V. Gadgil: (a) I place on the table a statement showing the information required.

(b) It is not proposed to collect the information asked for as the results will not be commensurate with the labour involved.

(c) Every possible effort was made to recover the arrears of rent from the persons concerned through their respective Departments. The bulk of it amounting to Rs. 1,53,777-11-0 relates to Military Officers, and when all efforts failed, the amounts were written off in consultation with the authorities concerned, after obtaining legal opinion wherever necessary.

(d) In view of the position explained in reply at Part (c) above, the question does not arise.

Statement

(a) Total amount of rent of Government quarters written off as irrecoverable during the years 1946-46, 1946-47 and 1947-48.

Year	Amount written off Rs.
1945-46	35 0 0
1946-47	884 6 0
1947-48	1,55,116 11 0

NATIONAL DRESS

17. *R. B. Lala Raj Kanwar: Will the Honourable the Prime Minister be pleased to state:

(a) whether there is any proposal before Government to have a National Dress for the citizens of the Indian Dominion; and

(b) if not, whether Government propose to consider the feasibility of appointing a special committee consisting of representatives of all shades of opinion to submit proposals in this behalf?

The Honourable Pandit Jawaharlal Nehru: (a) No.

(b) No.

SHORTAGE OF CLOTH AND APPOINTMENT OF A MINISTER OF CLOTHING

18. *R. B. Lala Raj Kanwar: Will the Honourable the Prime Minister be pleased to state:

(a) whether Government are aware that owing to poverty, insufficient production of cloth and other causes, a large proportion of the country's population is insufficiently and miserably clad; and

(b) if so, whether Government propose to consider the feasibility of appointing at a suitable opportunity a Minister of Clothing in order to afford relief in this direction to the people?

The Honourable Pandit Jawaharlal Nehru: (a) Yes.

(b) The Government are very much alive to the fact that a large proportion of the population of India suffer from lack of necessaries of life, including clothing. This is a part of the larger question of raising standards and increasing the productive wealth of the country. They do not think that the appointment of a Minister of Clothing would afford relief to anyone.

FORMATION OF MINORITY BOARDS IN U. P. AND OTHER PROVINCES

19. *Mr. Z. H. Lari: (a) Will the Honourable the Prime Minister be pleased to state whether there was an agreement between the Indian and Pakistan Governments that Minority Boards be established in East and West Bengal and that the question of formation of Minority Boards in other provinces be considered at the subsequent Inter Dominion Conference?

(b) If so, are Government aware that the most substantial minority resides in U.P.?

(c) Do Government propose to consider the desirability of forming Minority Boards in U.P. and other Provinces?

The Honourable Pandit Jawaharlal Nehru: (a) The Calcutta Agreement provides for the formation of Minority Boards only in East and West Bengal. The Agreement, does not envisage the setting up of such Boards in other Provinces though it provides that condition of the Minorities will be discussed at a future conference.

(b) Yes.

(c) Government do not consider it necessary to set up Minority Boards in United Provinces and other Provinces.

REPRESENTATIONS BY WORKERS UNIONS AGAINST S. I. RAILWAY ADMINISTRATION *RE* PROMOTIONS AND MISUSE OF DISCIPLINE ANN APPEAL RULES

20. *Dr. V. Subramaniam: (a) Will the Honourable Minister of Labour be pleased to state whether it is a fact that the South Indian Railway Workers' Union has brought to the notice of Government cases of favouritism in promotions and trade tests, and misuse of Discipline and Appeal Rules in the South Indian Railway?

(b) Was any Conciliation Officer appointed to investigate into the question and if so, what are his findings and the action taken by Government thereon?

(c) Are complaints of a similar nature still being received against the South Indian Railway Administration?

(d) What action is being taken by Government in the matter?

(e) Do Government propose to consider the advisability of setting up permanent local independent tribunals to settle such disputes on the spot?

The Honourable Shri Jagjivan Ram: (a) No cases of favouritism in promotions and trade tests or of misuse of Discipline and Appeal Rules have been reported by the South Indian Railway Workers' Union to the Ministry of Railways. That Union has, however, submitted representations on such subjects from time to time to the General Manager, South Indian Railway, and action has been taken by him where necessary. Representations were also made by the Union to the Chief Labour Commissioner.

(b) The Conciliation Officer (Central) stationed at Madras made certain investigations into the complaints of the Union and submitted a report to the Chief Labour Commissioner (Central). The report is under consideration.

(c) No complaints of the nature referred to in the question has recently been received.

(d) Does not arise.

(e) Government contemplate the setting up of a Standing Industrial Tribunal at Madras under the Industrial Disputes Act, 1947, to adjudicate on disputes in 'Central sphere' undertakings including Federal Railways in the Province.

ACTION BY GOVERNMENT TO INTERCEPT SYDNEY COTTON IN HIS FLIGHT FROM KARACHI TO HYDERABAD OVER INDIAN TERRITORY

21. *Giani Gurmukh Singh Musafir: (a) Will the Honourable the Prime Minister be pleased to state when the intentions of Mr. Sydney Cotton to fly direct to Hyderabad came to the notice of the Government of India?

(b) What steps did the Government of India take to keep themselves informed of Mr. Sydney Cotton's movements in Karachi?

(c) Did the High Commissioner for India in Pakistan give any information to the Government of India about Mr. Cotton's intentions? If so, when was the first communication sent by him?

(d) When did the Government of India come to know of the departure of Mr. Cotton's aeroplane 'Lancaster' from Karachi?

(e) What steps did the Government of India take to stop that plane from flying over Indian Dominion territory?

(f) When did the Government of India learn of his return flight from Hyderabad to Karachi?

(g) Did the Government of India make an effort to intercept this plane? If not, why not?

The Honourable Pandit Jawaharlal Nehru: (a) to (g). The Government of India came to know from various sources that some Lancastrian planes were being used for night flights between Karachi and Hyderabad (Deccan), presumably to carry arms and ammunition. The High Commissioner for India in Pakistan protested to the Pakistan Government against these flights which were against international regulations as well as the rules framed by the Government of India. Pakistan Government did not accept responsibility for them and various denials were issued from Karachi and Hyderabad.

Government thereupon announced specifically that no aircraft could fly over Indian territory without landing on Indian soil and that if any such flight took place without landing on Indian soil Government would take action against such aircraft and may even have to intercept it and force its landing. In this matter Government have been in constant touch with their High Commissioner in Karachi.

On the 7th July Mr. Sydney Cotton sent a telegram from Karachi to the Director General of Civil Aviation in India stating that he was flying about 1½ tons of medical supplies to Hyderabad and asking for permision to fly direct. He suggested that the High Commissioner for India might inspect the plane and stores before departure from Karachi. This telegram was received on the 8th July and a reply to it was sent by the Director General of Civil Aviation on the 10th July asking for specific particulars regarding aircraft, members of the crew, and passengers and the medical supplies which were proposed to be carried. No details were received as demanded but another telegram dated 9th July was received from Mr. Cotton by way of reminder. In this Mr. Cotton stated that he would fly these medical stores to Hyderabad if he did not hear from the Director General by the night of the 10th July.

On the 10th July a reply to this was sent by the Director General again asking for particulars and adding that any flight to Hyderabad without the permission of the Government of India would be considered as unauthorised flight.

On the 11th July some particulars of medical stores, aircraft and crew were received from Mr. Cotton. A reply to him was sent on the 12th July stating that there was no objection to carriage of medical supplies to Hyderabad by the particular Lancastrian aircraft but the route to be followed must be Karachi, Bombay (Santa Cruz), Hyderabad and the aircraft must land at Santa Cruz for customs inspection both on the onward and return flights. This telegram was

confirmed by the Director General in a wireless message on the 12th July to the Aerodrome Officer, Karachi.

In the mean time Mr. Cotton had also contacted the High Commissioner for India at Karachi and repeated his request for permission to fly direct to Hyderabad. On the 13th July he added that he would take a passenger Mr. R. Beaumont, Personal Assistant to Sir Walter Monckton, who was expected at Karachi the same night. The High Commissioner told him that he could go *via* Bombay as intimated by the Government of India. He expressed his surprise that Mr. Cotton was wasting his time at Karachi when he was so anxious to rush supplies to Hyderabad.

The Government of India came to know on the 20th July that Mr. Cotton had already performed his flight at night direct to Hyderabad in defiance of the Government of India's instructions. On the 21st night Mr. Cotton flew back to Karachi from Hyderabad.

The Government of India consider that it would not be in the public interest to disclose what action they took to prevent Mr. Cotton's plane from flying over Indian territory. They take the most serious view of this direct contravention of international rules and their own regulations and orders. They have been in communication with the Pakistan Government as well as the United Kingdom Government in this matter and it is understood that the United Kingdom Government have cancelled Mr. Cotton's licence.

PROTESTS TO FOREIGN GOVERNMENTS *RE* SYDNEY COTTON'S FLIGHT OVER INDIAN TERRITORY

22. *Giani Gurmukh Singh Musafir: (a) Will the Honourable the Prime Minister be pleased to state whether any protest was made to any of the foreign Governments in connection with the unauthorised flight of Mr. Cotton from Karachi to Hyderabad and back?

(b) If so, to what countries were such protests made and at what stage are the negotiations at present?

The Honourable Pandit Jawaharlal Nehru: (a) and (b). Of the five aircraft which, according to the Government of India's first information, were being operated by Mr. Cotton, three bore United Kingdom registration marks and two Canadian. Mr. Cotton himself was reported to be an Australian. The aircraft were being operated from Karachi. Representations were, therefore, made to the Governments concerned, *viz.* the United Kingdom, Canada, Australia and Pakistan. The Canadian High Commissioner informed us that the two planes with Canadian markings had been taken on the Canadian register only in July 1948. Though born in Australia, our enquiries revealed that Mr. Cotton had been resident in the United Kingdom practically since the end of the first World War. Subsequent negotiations had, therefore, to be limited to His Majesty's Government in the United Kingdom and to the Government of Pakistan. The former have informed us that all the five aircraft which, at one time, belonged to the Aeronautical and Industrial Research Corporation in England have been taken over by Onzeair, probably a company, in Karachi. In addition, the United Kingdom Ministry of Civil Aviation have suspended Mr. Cotton's own United Kingdom pilot licence, pending investigation of the allegations against him. Negotiations with the Government of Pakistan regarding the activities of Mr. Cotton and his aircraft are still proceeding.

RELIEF CAMPS FOR REFUGEES FROM EAST BENGAL

23. *Dr. Bakhshi Tek Chand: Will the Honourable Minister of Relief and Rehabilitation be pleased to state:

(a) the number of evacuees from East Bengal who have migrated to West Bengal or other parts of the Indian Dominion; and

(b) whether any relief camps for these refugees have been opened; and, if so, what was the total number of refugees in such camps on the 30th June 1948?

The Honourable Shri Mohan Lal Saksena: (a) About eleven and a half lakhs.

(b) Relief camps for the accommodation of these refugees have been opened. The number of refugees who were living in camps on the 30th June 1948, was 12,336.

HOUSES, SHOPS, ETC., OF EVACUEES LYING VACANT IN DELHI

24. *Dr. Bakhshi Tek Chand: Will the Honourable Minister of Relief and Rehabilitation be pleased to state:

(a) the number of evacuees' houses, shops and business premises in Delhi which are still lying vacant; and

(b) in whose possession such houses, shops and business premises have been since they were vacated?

The Honourable Shri Mohan Lal Saksena: (a) Houses 118, Shops 5, Business Premises (Industrial) 9.

(b) The houses are situated in Muslim areas and were locked and sealed as a result of recent survey of Muslim mohallas in June and July. These houses were either found vacant or had been in irregular possession of persons who subsequently removed themselves elsewhere.

These, in addition to about 170 other houses in the same areas, have already been allotted. Possession has either been already given or is scheduled to be given during the next week.

Shops were locked and sealed after they had been abandoned by the evacuees and were subsequently allotted. Of these, possession of two is scheduled to be delivered during the week; also possession of the third is going to be given soon to the allottee, but the two others are under a court injunction and other legal complication.

Industrial premises were recently locked and sealed and were allotted last week according to the advice of the Advisory Committee. Possession will be delivered to the allottees in due course.

REPRESENTATIONS BY JAMIAT-UL-ULEMAI HIND TO RUSSIA AND U.S.A. *re* THE RECOGNITION OF STATE OF ISRAEL

25. *Shri B. P. Jhunjhunwala: (a) Will the Honourable the Prime Minister be pleased to state whether the attention of Government has been drawn to the cables sent by the President of the Jamiat-ul-Ulemai-Hind to Mr. Truman and M. Molotov as reported in the *Hindusthan Standard*, dated the 7th June, 1948, reading as follows:—"Indian Muslims strongly resent your recognition of Israel State established on Arab land. This is unjust in view of democracy," and to his other cable pledging the whole-hearted support of Indian Muslims to the General Secretary of the Arab League?

(b) Does the Government of India allow the transmission of cables from organisations in India to foreign powers or foreign organisations where such cables involve questions of foreign policy or the relations of the Government of India with foreign powers?

The Honourable Pandit Jawaharlal Nehru: (a) Yes.

(b) It is not the policy of the Government of India to interfere with the activities of any organisation so long as such activities are not unlawful. Such activities of private organisations in no way claim to represent Government's policy.

U. N. Commission on Kashmir

26. *Babu Ramnarayan Singh: (a) Will the Honourable the Prime Minister be pleased to state on whose initiative the United Nations Commission on Kashmir has arrived in India?

(b) What is the scope of activities of this Commission?

(c) What is the procedure the Commission has been following in connection with its work?

The Honourable Pandit Jawaharlal Nehru: (a) The Commission was established by resolutions of the Security Council which directed it to proceed without delay to the Indian sub-continent. The Government of India, while maintaining their objections to certain parts of these resolutions, agreed to confer with the Commission if it came to India.

(b) The declared object of the Commission at this stage is to endeavour to bring about a peaceful settlement of the situation in Jammu and Kashmir.

(c) As the honourable member is no doubt aware, the Commission was lately in Delhi where it had conversations with representatives of the Government of India. It has gone to Karachi for similar discussions with the Government of Pakistan. An advance party of the Commission also went to Kashmir to study the military situation and has now joined the Commission in Karachi. The Commission's future dispositions have not yet been communicated to the Government of India.

Damodar Valley Corporation

27. *Babu Ramnarayan Singh: (a) Will the Honourable Minister of Works, Mines and Power be pleased to state the present activities of the Damodar Valley Corporation?

(b) What is the amount allotted for the Corporation for the year 1948?

(c) What is the amount spent by the Corporation till the end of June, 1948, and on what objects?

The Honourable Shri N. V. Gadgil: (a), (b) and (c). A copy of the reply received from the Secretary of the Damodar Valley Corporation is placed on the table.

Statement

Part (*a*).—The Corporation was created on the 7th of July 1948. Till then the Damodar Valley Project was in charge of the Administrator who had been appointed in October 1947. The present activities of the Corporation can therefore be best appraised on the basis of the work that had already been carried out. The position of the Damodar Project as on the 7th July was as follows:

A. *Dam projects and design.*

(i) Outline project reports, on Tilaiya, Konar 1 and Maithon Dams, carrying further the result of preliminary investigations were ready.

(ii) The detailed design, plans and estimates of Tilaiya Dam were ready.

(iii) Further investigations in respect of Konar 1 Dam for preparation of designs were in progress.

B. *Construction Camps.*

(i) The construction camp at Tilaiya, consisting of a 7-mile road, two bridges, some 60 houses, waterworks, power station, was in progress.

(ii) Investigations and preparation for a construction camp at Konar No. 1 was in progress.

C. *Power projects.*

(i) Preliminary report on a 200,000 kw thermal station was ready. Enquiries from manufacturing firms abroad for plant and equipments were in hand. Investigations for siting the thermal station were in progress.

(ii) Investigations for transmitting power from the Tilaiya power plant to the Kodarma mica area were in hand. Enquiries from manufacturers for equipments for transmission were in hand.

(iii) Erection of a grid system of 132 kv line to transmit power from the Fertiliser Factory at Sindri over the coalfields area was taken over and tenders were invited. As the construction of the main line will take considerable time, it was decided to construct a temporary 66 kv line on rail poles expeditiously so that the line could be ready to transmit the surplus power from Sindri which is expected to be available early in 1950.

D. *Purchase of Equipment.*

Purchase Section was locating and purchasing necessary equipments for works in hand, like road rollers, diamond drills, transport vehicles, survey instruments, office requirements, filters and pumps for waterworks and such others.

E. *Barrage and Irrigation.*

Investigations in respect of the barrage and irrigation were in progress.

F. *Rehabilitaiton.*

An office of the Director of Rehabilitation was set up and surveys were carried out for construction camps, access roads and location of suitable sites for resettlement.

G. *Geological Survey.*

A Special Officer of the Geological Survey collected and prepared an up-to-date report on the availability of clay for high tension electrical porcelain in and around the Damodar Valley with a view to setting up the industry in the Valley. The matter has been taken up with the Industry and Supply Ministry.

H. *Hydrological studies.*

A large number of stations were established in the Valley for collecting rainfall and stream flow data

I. *Soils Laboratory.*

A Soils Laboratory was established for soils survey and analysis.

J. *Headquarters site.*

Investigation for a site for the Headquarters of the Corporation was in hand

K. *Invitation of Preliminary Proposals.*

Invitations together with all relevant particulars were kept ready for issue to suitable agencies for design and construction which might be employed for dam construction.

It is not yet a month since the Corporation was set up. One of the Members, Sri Phulan Prasad Varma, is still to join. In his absence no formal meetings of the Corporation have been held and no major policy decision has been taken.

In the three weeks of the Corporation's existence it has—

(a) taken stock of the present position;

(b) examined the organisational set-up that will be needed immediately and over the next year;

(c) taken steps to recruit a skeleton staff for the various branches like Planning and Designing, Construction, Barrage & Irrigation, Power, Purchase, Rehabilitation, Information, Health and Safety, as well as the general set-up at the Damodar Valley Corporation Headquarters office;

(d) issued invitations to reputable design and construction firms for submitting proposals regarding the terms and conditions on which they would be willing to undertake the work of dam construction together with the hydro-electric plants, and

(e) continued the work in relation to the other items listed in the preceding paragraph.

Part (b).—A loan of rupees two crores was provided for in the Central Government's budget for the current year. Out of this, a sum of Rs. 50 lakhs was placed at the disposal of the Damodar Valley Corporation in July 1948.

Part (c).—The Corporation was formed on the 7th July 1948, and hence the question as to the amount spent by it till the end of June 1948 does not arise.

S. SEN,
Secretary.

3rd August, 1948

EXPENDITURE ON REFUGEE CAMPS AND DELAY IN RE-HABILITATION

28. *Babu Ramnarayan Singh: Will the Honourable Minister of Relief and Rehabilitation be pleased to state:

(a) the number of refugee camps with the number of refugees in each camp hitherto maintained by the Government of India:

(b) the average daily expenditure of the Government of India on these refugee camps;

(c) the approximate period for which Government intend to maintain the camps;

(d) the progress hitherto made towards rehabilitation of these refugees, and

(e) the reasons for the delay in rehabilitating these refugees?

The Honourable Shri Mohan Lal Saksena: (a) A statement No. I is laid on the table.

(b) Under the financial arrangements made with the Provinces and States, the Provinces and States are expected to meet what ever expenditure they can from their own resources and from amounts received by voluntary contributions. The balance is borne by the Central Government. In view of these financial arrangements with the Provinces and States in respect of expenditure on relief, it is not possible at this stage to calculate the average daily expenditure of the Government of India on these relief camps.

(c) Most of the camps have already been transferred to the control of the Provincial Governments or the States concerned. The remaining camps will be closed as soon as the refugees in these camps are rehabilitated.

(d) A statement No. II showing number of persons so far resettled in various Provinces and States is laid on the table.

(e) There are obvious difficulties. In the first place, the number of persons to be rehabilitated is considerable. Secondly, the displacement has been so sudden and hardship so great that the Government's energies were predominently diverted to the task of evacuation and relief. Lastly, the proportion of urban Hindus and Sikhs is considerably larger than that of the Muslim evacuees.

Rehabilitation must, therefore, necessarily be a slow process. I must, however, assure the House that no effort or expense is being spared to rehabilitate our unfortunate countrymen from across the border.

STATEMENT I

Showing the number of Refugee Camps with the number of Refugees in each Camp hitherto maintained by the Government of India.

S. No.	Name of Camp	Last available information of population		Remarks
		Population	Date	
1.	Kurukshetra Camp	1,55,490	2-8-48	
2.	Chakrata-Kailana	2,079	15-6-48	
3.	Dadli	7,176	18-6-48	
4.	Holding Camp, Alwar	1,099	2-7-48	
5.	Jmmau Camp	8,394	26-7-48	
6.	Delhi Camps	46,657	31-7-48	
7.	Luni Camp (Jodhpur State)	2,421	27-7-48	*
8.	Marwar Junction (Jodhpur State)	4,840	27-7-48	*
9.	Marwar Pali (Jodhpur State)	1,464	27-7-48	*

* Refugees in Luni, Marwar Junction and Marwar Pali camps have since been transferred the camp at Katni in C. P., which is being maintained by the Government of C. P. The Camp at Kurukshetra is being transferred to the control of Government of East Punjab

S. No.	Name of Camp	Last available information of population. Population	Date	Remarks
10.	Durgapura (Jaipur State)	18,628	26.7.48	
11.	Datia (Datia State)	4,819	23-6-48	
12.	Satna (Rewa State)	2,237	28.7.48	
13.	Ratlam (Ratlam State)	..	..	(Population dispersed on 27-7-48).
14.	Chitorgarh (Udaipur State)	1,515	28.7.48	Transferred to the State Govt.
16.	Sri Kolayatji (Bikaner State)	1.832	21.6.48	Do.
16.	Sujan Garh (Bikaner State)	1,185	28.7.48	Do.
17.	Kotah (Kotah State)	3,925	23.7.48	Do.
18.	Okha	..	..	Camp closed down.
19.	Bantva (Sourashtra Union)	10,537	30.6.48	Transferred to the State Govt.
20.	Kutyana (Junagadh State)	7,464	27-6-48	Do.
21.	Chakrabbatta (C.P.)	4,044	27.7.48	Transferred to C. P. Govt.
22.	Gondia (Birsi)	8.802	24.7.48	Transferred to C. P. Govt.
23.	Mana (Birsi)	8,935	5-7-48	Transferred to C. P. Govt.
24.	Mahgaon (Birsi)	12.361	27.7.48	Transferred to C. P. Govt.
25.	Tilda (Birsi)	4,084	25.7.48	Transferred to C. P. Govt.
26.	Bombay Docks	3,951	14-6-48	Transferred to Bombay Govt.
27.	Sabarmati	1,940	28-7-48	Transferred to Bombay Govt.
28.	H. M. I. S. Akbar	13,064	12-8-48	Transferred to Bombay Govt.
29.	Chambur	9,832	12-6-48	Transferred to Bombay Govt.
30.	Dhond	9,500	25-5-48	Transferred to Bombay Govt.
31.	Kalyan Camp No. 1	14,000	27-5-48	Transferred to Bombay Govt.
32.	Kalyan Camp No. 2	14,000	27-5-48	Transferred to Bombay Govt.
33.	Kalyan Camp No. 4	14,500	27-5-48	Transferred to Bombay Govt.
34.	Kalyan Camp No. 5	16,100	27-5-48	Transferred to Bombay Govt.
35.	Lake Beale	12,700	14-6-48	Transferred to Bombay Govt.
36.	Mulund	2,207	14.6-48	Transferred to Bombay Govt.
37.	Pawai	3,653	14-6-48	Transferred to Bombay Govt.
38.	Pimpri	10,330	12.6-48	Transferred to Bombay Govt.
39.	Satara	2,891	25-5-48	Transferred to Bombay Govt.
40.	South Dooli	6,828	16-7-48	Transferred to Bombay Govt.
41.	Uruli Kanchan	3,340	4.6.48	Transferred to Bombay Govt.
42.	Virar	606	2-6-48	Transferred to Bombay Govt.
43.	Vipapur	13,031	2-6-48	Transferred to Bombay Govt.
44.	Borivili	..	..	..
45.	Katni (C. P.)	10,600	..	Transferred to C. P. Govt.

STATEMENT II

Showing Progress of Rehabilitation in Provinces and States

Name of Province or State	Number of refugees resettled
Provinces	
1. Bombay	34,097
2. United Provinces	20,819
3. Madras	1,939
4. East Punjab	21,48,000
5. C. P.	2,730
6. West Bengal	1,00,000
7. Bihar	6,425
8. Orissa	11
9. Assam	..
10. Delhi	Not known
11. Ajmer-Merwara	90,123
12. Himachal Pradesh	1,000
States	
1. Patiala	2,64,823
2. Jind	520
3. Faridkot	11,000
4. Bikaner	34,000
5. Udaipur	7,300
6. Jaipur	40,000
7. Matsya Union	25,000
8. Madhyabharat Union	2,765
9. Baroda	12,500
TOTAL	28,03,052

CLAIMS BY REFUGEES *re* PROPERTY LEFT IN WEST PAKISTAN

29. *Dr. Bakhshi Tek Chand: Will the Honourable Minister of Relief and Rehabilitation be pleased to state:

(a) the number of claims registered at (i) Delhi; (ii) East Punjab; and (iii) other places in India by refugees from West Punjab, N.W.F.P. and Baluchistan in regard to property left by them in West Pakistan; and

(b) the total value of such property as given by the claimants in regard to (i) agricultural land; (ii) urban immovable property, and (iii) movables?

The Honourable Shri Mohan Lal Saksena: (a) and (b). Provincial Governments, Unions and States have been asked to furnish the information which will be laid on the table when received.

RELIEF TO HINDU EVACUEES FROM HYDERABAD

30. *Dr. Bakhshi Tek Chand: Will the Honourable Minister of Relief and Rehabilitation be pleased to state:

(a) the number of Hindus who have migrated from Hyderabad State to the Indian Union since the 1st of January, 1948;

(b) whether the number of such persons has been progressively increasing; and

(c) what arrangements, if any, have been made by the Government of India and the Provincial Governments for providing shelter and other relief to such of these refugees as are in need of them?

The Honourable Shri Mohan Lal Saksena: (a) to (c). This question should have been addressed to the Honourable Minister of States. It has accordingly been transferred to the List of Question for 18th August 1948 when the Honourable Minister for States will answer it.

RESCUE OF ABDUCTED WOMEN AND CHILDREN AND DISBANING OF M.E.O.

31. *Dr. Bakhshi Tek Chand: Will the Honourable Minister without Portfolio be pleased to state:

(a) the number of abducted Hindu and Sikh women and children who have been rescued from West Pakistan and restored to the Indian Dominion up to 30th June 1948;

(b) the number of Muslim women and children rescued in East Punjab, Delhi and the neighbouring States and restored to the West Pakistan authorities up to the same date;

(c) the number of abducted Hindu and Sikh women and children who are believed to be still in West Pakistan;

(d) whether it is a fact that the Military Evacuation Organisation which had hitherto supervised rescue work in both the Dominions, has since been disbanded; and

(e) if so, what agency is now being employed in its place?

The Honourable Shri N. Gopalaswami Ayyangar: (a) The number of abducted Hindu and Sikh women and children who have been rescued from West Pakistan and restored to the Indian Dominion up to 30th June, 1948, is 4,867.

(b) The number of Muslim women and children who have been rescued in East Punjab, Delhi and the neighbouring States and restored to the Pakistan authorities up to 30th June, 1948, is 8,729.

(c) Lists compiled in the past have now ceased to be accurate due to the clearance of pockets, the recovery of persons and other causes. The lists were also not compiled accurately as they contained duplications and repetitions. The total of such lists, however, which we handed over to Pakistan for recovery, was nearly 38,000. Similar lists handed over to us by Pakistan in regard to Muslims to be recovered from India totalled 21,000.

We are taking steps to compile afresh accurate lists, and have asked Pakistan to do the same on their side according to the procedure adopted by us here. When these lists are compiled, they will give us accurate information about abducted persons still to be recovered.

(d) It is not correct to state that the Military Evacuation Organization supervised recovery work. The responsibility for recovery of abducted persons rests primarily with the police of the Dominion concerned. The Military Evacuation Organization used to provide static guard in camps where women were brought after recovery. The Military Evacuation Organization also provided guard for transit from camp to the Dominion concerned. The Military Evacuation Organization has been recently withdrawn.

(e) The police of the Dominion concerned replaces the Military Evacuation Organization to provide static guards and guards for transit from camp to Dominion concerned. As already stated the Military Evacuation Organization was not responsible for recovery of abducted women.

NON-EXECUTION OF DEATH SENTENCE OF DR. ABDUL GHANI QURESHI

32. *Shri Mahavir Tyagi: Will the Honourable Minister without Portfolio be pleased to state whether it is a fact, as reported by the Associated Press of India from Karachi and published in the *Statesman* of the 19th July 1948, that a Pakistan Minister had taken an undertaking from the Government of India to the effect that they would not execute the death sentence passed on Dr. Abdul Ghani Qureshi until the matter had been discussed between the two Governments?

The Honourable Shri N. Gopalaswami Ayyangar: After the dismissal of Dr. Qureshi's appeal in the High Court, the Pakistan Minister, referred to in the question, had a telephonic conversation with me. He expressed his fear that the sentence on Dr. Qureshi might be executed at once and referred to a previous assurance conveyed in a telegram to the Pakistan Government. I told him that the execution would not take place until the general question of exchange of prisoners was settled and that in any case nothing would be done contrary to any assurances already given.

The facts are as follows:

In the course of the discussions in connection with the exchange of prisoners between East and West Punjab, it was agreed that capital punishment would not be carried out in respect of any convicts within the area concerned. Subsequently this area was extended to include the Frontier Province, Baluchistan, the States of Bahawalpur and Khairpur and all other States acceded to Pakistan in the West Pakistan Zone and the States of Patiala, Nabha, Jind, Faridkot, Kapurthala, Alwar, and Bharatpur. The question of extending it to Delhi was under consideration.

After the sentence on Dr. Qureshi was confirmed by the High Court, Government agreed that, in his case as well as in any other case where sentence of death had been passed, the sentence should not be carried out till the general question of exchange of prisoners was settled.

The orders now in force are that no death sentences on Muslim prisoners in the areas from which exchange of prisoners between India and Pakistan is under consideration should be carried out except after obtaining the prior order of the Central Government. The Government of India have suggested to the Pakistan Government that these areas should include West Punjab, the Frontier Province; Sind and Baluchistan and the States which acceded to Pakistan in Western Pakistan and East Punjab, Delhi and the States of Patiala, Nahha, Jind, Faridkot, Kapurthala, Alwar and Bharatpur.

STATEMENTS LAID ON THE TABLE

INFORMATION PROMISED IN REPLY TO CERTAIN QUESTIONS DURING THE PREVIOUS SESSIONS OF THE LEGISLATIVE ASSEMBLY AND CONSTITUENT ASSEMBLY OF INDIA (LEGISLATIVE)—LAID ON THE TABLE OF THE HOUSE TODAY].

Seth Sukhdev's Unstarred Question No. 87(b) of 12th February, 1947

SENIORITY OF GAZETTED OFFICERS ON RAILWAYS AFTER PROMOTION FROM LOWER SUBORDINATE SERVICE

Seniority in the higher grade is based usually on the order of promotion to that grade which in turn depends upon the position of the individual in the list of merit. Government are informed that on three Railways only, viz., the E. I., B. N., and B. A., it has been the practice to inform Subordinates of the result of Selection Boards. The general question is however, under review

Mr. Manu Subedar's Supplementary Questions to Starred Question No. 1124 of 24th March, 1947

SANCTIONED HYDRO-ELECTRIC SCHEMES SINCE THE BEGINNING OF WAR

It is difficult to state with any accuracy the percentage of increase in the prices of heavy electrical plant over pre-war prices for the following reasons:

(a) Most of the plant now being purchased are not identical with those purchased before the War and

(b) Specifications issued for various items of plant vary to a very wide extent; and it is not possible to arrive at the increase in the level of prices by mere comparison of prices paid for the plant.

On the basis of a few isolated cases, however, in which such comparison is possible, it has been found that the increase in prices has varied with different types of equipment between 100 per cent. and 165 per cent. over pre-war price levels. It may, however, be mentioned that this feature of high prices is not a handicap which applies to India alone. It is understood that in the United Kingdom and the U. S. A. also the large electric projects, whether sponsored by Government or Private Utilities, are now paying similarly high prices.

Shri S. Nagappa's Starred Question No. 207 of 21st November, 1947

HELP GIVEN TO REFUGEES BY GOVERNMENT AND PRIVATE BODIES

(a) and (b). The total number of refugees in camps under the direct control, of the Government of India was on 5th November, 1948 as follows :

Delhi—16,000.

Ajmer—2,151.

Figures for Kurukshetra have already been given.

(c) and (h). The refugees were given shelter in military barracks and in tents.

(d) Figures are not available.

(e) Information is not available.

(f) The number of women and children among the refugees was :

	Delhi	*Ajmer*
Women	8,000	633
Children	... 4,000	880

(g) Not known.

R. B. Lala Raj Kanwar's Starred Question No. 248 of 21st November, 1947

MAINTENANCE OF REFUGEE CAMPS IN INDIA

(a) The information is given in Statements I and II. The information in respect of the camps in Central Provinces, East Punjab, Delhi, Bombay and Madras is correct upto the third week of November, 1947 and in the case of remaining Provinces and States upto the middle of December, 1947.

In addition to these non-Muslims refugee camps, there were a number of camps for Muslim evacuees. The number of these evacuees at this time was 4,70,100 in East Punjab and 22,000 in Delhi. Details of the evacuee camp populations in East Punjab are given in Statement III.

(b) No figures are available on which any reliance can be placed.

Statement I

Showing the names of refugee camps and the number of non-Muslim refugees in each.

S. No.	Name of Province	Name of Refugee Camp	Number of refugees in the camps	
	Province.			
1	C.P.	Nagpur Central Refugee Camp	350	
2	C.P.	Hindu Sahayak Camp	200	
3	C. P.	Cotton Market Camp	150	
4	C.P.	Sindhi Camp	200	
5	C.P.	Hydrabad Camp	200	
6	C. P.	Jubbulpore Relief Camp	200	
7	C. P.	Other Camps at Raipur	300	
8	C.P.	Chanda Camp	200	
9	C.P.	Wardha Camp	100	
				1,900
10	East Punjab	Kullahnagar Camp	22,000	
11	East Punjab	Headquartere Camp at Hoshiarpur	20,000	
12	East Punjab	Hissar Camp	1,637	
13	East Punjab	Hansi Camp	1,824	
14	East Punjab	Sirsa Camp	1,222	
15	East Punajh	Gurdaspur Camp	1,400	
16	East Punjab	Dera Baba Nanak Camp	700	
17	East Punjab	Batala Camp	500	
18	East Punjab	Dhanga Camp	300	
19	East Punjab	Fatehgarh Chunian Camp	330	
20	East Punjab	Kasu Begu Camp	7,000	
21	East Punjab	Fazilka Camp	15,000	
22	East Punjab,	Abohar Camp	25,000	
23	East Punjab	Malot Camp	5,000	
24	East Puujab	Moga Camp	1,000	
25	East Punjab	Rohtak Camp	4,290	
26	East Punjab	Sonipat Camp	10,770	

S. No.	Name of Province	Name of Refugee Camp	Number of refugees in camps	
27	East Punjab	Shrifpura Camp at Amritsar	55,000	
28	East Punjab	Khalsa College Camp at Amritsar	32,700	
29	East Punjab	Cant. Camp at Amritsar	23,330	
30	East Punjab	Harness Factory Camp at Amritsar	2,200	
31	East Punjab	Chheharta Camp	12,390	
32	East Punjab	Jamalpur Camp	25,000	
33	East Punjab	Karnal Camp	10,000	
34	East Punjab	Kurukshetra Camp	246,000	
35	East Punjab	Panipat Camp	10,000	
36	East Punjab	Gurgaon Camp	6,000	
37	East Punjab	18 small camps in Jullundur Dist.	51,059	
				5,91,652
38	Delhi	Kingsway Camp	12,000	
39	Delhi	Wavell Canteen Camp	1,500	
40	Delhi	Kalkaji Temple Camp	1,600	
41	Delhi	Willingdon Aerodrome Transit Camp	900	
				16,000
42	Bombay	Dhulia Camps	1,032	
43	Bombay	Satara Camp	28	
44	Bombay	Kopaowadi Camp	399	
				1,459
45	Madras	Luttrels Garden Camp Kilpauk	540	
46	Madras	Malagan Emigration Depot Camp, Avadi	66	
47	Madras	Holiday Home Saida pet Camp	36	
				642
48	U.P.	Latha Camp af Benares	607	
49	U.P.	Kusunbi Camp at Gorakhpur	250	
50	U.P.	Phaphamau Camp at Allahabad	10,000	
51	U.P.	Thusi Camp at Allahabad	600	
52	U.P.	Premnagar Camp at Dehra Dun	5,372	
53	U.P.	Ranipur Camp at Hardwar	3,586	
54	U.P.	Ramnagar Camp at Roorkee	1,135	
55	U.P.	Exhibition Grounde Camp at Saharanpur	9,202	
56	U.P.	Talkatora Camp at Lucknow	675	
57	U.P.	Reception Camp at Lucknow	400	
58	U.P.	Usif Manzil Camp at Lucknow	232	
				32,059
59	Bihar	Phulwari Camp	2,500	
60	Bihar	Gaya Camp	150	
61	Bihar	Rafi Ganj Camp at Gaya	150	
62	Bihar	Sasuram Camp at Arah	250	
63	Bihar	Motihari Camp	25	
64	Bihar	Musuffarpur Camp	300	
65	Bihar	Samastipur Camp at Darbhanga	150	
66	Bihar	Darbrangha Camp	1500	
67	Bihar	Baghalpore Camp	125	
68	Bihar	Jamalpur Camp (Monghyer)	850	
69	Bihar	Ranchi Camp	500	
				4,650
70	C.P.		1,900	
71	East Punjab		591,652 (including Kurukshetra)	
72	Delhi		16,000	
73	Bombay		1,459	
74	Madras		642	
75	U.P.		82,059	
76	Bihar		4,650	
		Total Indian Provinces	648,362	
		Total Indian States	125,822	
		Total Non-Muslims	774,184	

Statement II

Showing the names of refugee camps and the number of non-muslim refugees in each.

S. No.	Name of State	Name of refugee camps	Number of refugees in camps	Remarks
1	Rewa	Satna Camp	258	
2	Jaipur	Jaipur Camps	3,000	There are 2,000 refugees in Jaipur city.
3	Faridkot	2 Camps at Faridkot	Number not given.	
4	Pataudi	2 Camps at Pataudi and Sholapur	5,000	
5	Brijnagar	Narijnagar	400	
6	Brijnagar	Potan Camp	300	
7	Kashmir	City Camp Srinagar	5,150	
8	Kashmir	Baramola Camp	3,000	
9	Kashmir	Shopian Camp	2,000	
10	Kashmir	Verinag Camp	1,000	
11	Kashmir	Chati Padshohi Camp	350	
12	Kashmir	Gagji Bagh Camp	1,500	
13	Kashmir	Mayirbagh Camp	3,000	
14	Kashmir	Old Hospital Camp	600	
15	Kashmir	Exhibition Camp	1,800	
16	Kashmir	Chawai Camp	400	
17	Kashmir	Badgam Camp	3,000	
18	Kashmir	Mahura Camp	2,000	
19	Jaiselmer	Bobala Camp	3,000	
20	Jaiselmer	Nachna Camp	3,000	
21	Jaiselmer	Shree Hohangarh Camp	600	
22	Jaiselmer	Kishengarh Camp	2,189	
23	Jaiselmer	Ramgarh Camp	2,189	
24	Jaiselmer	Jaiselmer Camp	2,189	
25	Mewar	Camps in Mewar State	3,000	
26	Alipura	Harpalpur, Kukrol and Sarser Camps.	250	
27	Patiala	Dukhewaran Sahib Camp	50,903	
28	Patiala	Baba Jasa Singh Camp	4,650	
29	Patiala	Akhaslagh Bassi Camp	6,000	
30	Patiala	Dhuri Camp	200	
31	Patiala	Sunam Camp	195	
32	Patiala	Bhatinda Camp	643	
33	Patiala	Barnala Camp	137	
34	Patiala	Mansa Camp	329	
35	Patiala	Panjore Camp	416	
36	Patiala	Kandaghat Camp	176	
37	Patiala	Sanatan Dharam Camp	2,000	
38	Bharatpur	Bharatpur, Dug and Bayana Camp	3,500	
39	Kumarsain	Two camps at Kumarsain	21	
40	Rajkot	Five camps at Rajkot	655	
41	Jetpur	Modhwadi, Dashashrimati Wadi and Khatuwadi Camps.	260	
42	Nawanagar	Various camps in Junagadh	2,000	
43	Jodhpur	Caltex House Camp	1,000	
44	Jodhpur	Sikh Gurdwara Camp	300	
45	Jodhpur	Masumandir Camp	250	
46	Mandi	Mandi and Joginder Nagar Camps	3,000	
47	Ghund	Ghund Camps	12	
		Total	1,25,822	

Statement III

Showing the names of refugee camps and the number of Muslim refugees in each.

Name of Province	Name of Refugee Camps	Number of refugees in the camps.
Ambala District	Ambala City	60,000
	Jagadhri	8,000
	Harara	25,000
	Sadhaur	3,000
Gurdaspur District	Dalhousie	100
Karnal District	Shahabad	50,000
	Karnal	25,000
	Panipat	40,000
	Kaithal	2,000
	Ashudi	50,000
Rohtak District	Sonipat	15,000
	Guriani	7,000
	Bega	5,000
Gurgaon District	Gone	1,50,000
	Railway Station	30,000
	Total	4,70,100

Giani Gurmukh Singh Musafir's Starred Questions Nos. 301 and 302 of 25th November, 1947

(No. 301) DISCOVERY OF ARMS, AMMUNITION, ETC., FROM MUSLIMS IN CENTRALLY ADMINISTERED AREAS

(No. 302) DISCOVERY OF ARMS, AMMUNITION AND RADIO TRANSMITTERS AFTER 15TH AUGUST, 1947

[*Statements not printed in the day's Debates. Copies have been placed in the Library of the House.*—Ed. of D.]

Begum Aizaz Rasul's Supplementary to Mr. R. K. Sidhwa's Starred Question No. 325 of 26th November, 1947

RAILWAY CARRIAGES AND COACHES IN POSSESSION OF MILITARY AUTHORITIES

The total number of broad gauge coaches on the 31st March, 1947, was 11,867.

Shri M. Ananthasayanam Ayyangar's Starred Question No. 501(a) of 1st December, 1947

REDUCTION IN TRAIN SERVICES

Statement

Showing number of Mail, Express and Passenger trains cancelled on principal Indian Railways as a result of disturbances on and from the 7th September, 1947.

Railway	Total number of trains cancelled.	Mail	Express.	Pass	Remarks.
Assam	*Nil.*	*Nil.*	*Nil.*	*Nil.*	
B. B. & C. I.	B. G. 6	*Nil.*	2	4	
	M. G. 28	2	2	24	
B. N.	4	*Nil.*	*Nil.*	4	
E. I.	14	*Nil.*	*Nil.*	14	In addition certain trains were also run short of destination.
G. I. P.	594	55	341	198	Total for the period 7th September, 1947 to 26th November, 1947.
O. T.	*Nil.*	*Nil.*	*Nil.*	*Nil.*	
M. & S. M.	8	*Nil.*	*Nil.*	8	
S. I.	*Nil.*	*Nil.*	*Nil.*	*Nil.*	
Bikaner State	28	Details not available.			Total for the period 7th September 1947 to 1st December, 1947.
Jodhpur	21	3	*Nil.*	6	Plus 12 mixed.
Mysore State	*Nil.*	*Nil.*	*Nil.*	*Nil.*	
H. E. H. the N. S.	*Nil*	*Nil.*	*Nil.*	*Nil.*	

E. P. Upto 15th August, 1947 12, Mail 10 Express and 118 Passenger trains were run daily. These were gradually reduced until all trains were cancelled on and from 20th September, 1947.

Shri B. P. Jhunjhunwala's Starred Question No. 529 of 2nd December, 1947

IMPORT OF FOODGRAINS, CONSUMER AND CAPITAL GOODS

[*Statement not printed in the day's Debates. A copy has been placed in the Library of the House.*—Ed. of D.]

Giani Gurmukh Singh Musafir's Starred Question No. 627(d) of 5th December, 1947

EVACUATION OF HINDUS AND SIKHS FROM PAKISTAN

Statement I

Showing the number of non-muslim evacuees in different refugee camps.

Provinces.

S. No.	Name of Province.	Name of refugee camp	Number of refugees in the camps	Remarks
1	C. P.	Nagpur Central Refugee Camp	350	
2	C. P.	Hindu Sahayak Camp	200	
3	C. P.	Cotton Market Camp	150	
4	C. P.	Sindhi Camps	200	
5	C. P.	Hyderabad Camps	200	
6	C. P.	Jubbulpore Relief Camp	200	
7	C. P.	Raipur Camp	300	
8	C. P.	Chandra Camp	200	
9	C. P.	Wardha Camp	100	
			1,900	

S. No.	Name of Province	Name of Refugee Camp	Number of refugees in the camps	Remarks
10	East Punjab	Kullhanagar Camp	22,000	
11	East Punjab	Headquarters Camp at Hoshiarpur	20,000	
12	East Punjab	Hissar Camp	1.637	
13	East Punjab	Hansi Camp	1,824	
14	East Punjab	Sirsa Camp	1,222	
15	East Punjab	Gurdaspur Camp	1,400	
16	East Punjab	Dera Baba Nanak Camp	700	
17	East Punjab	Batala Camp	500	
18	East Punjab	Dhanga Camp	300	
19	East Punjab	Fatehgarh Churian Camp	330	
20	East Punjab	Kasu Begu Camp	7,000	
21	East Punjab	Fazilka Camp	15,000	
22	East Punjab	Abohar Camp	25,000	
23	East Punjab	Malot Camp	5,000	
24	East Punjab	Moga Camps	1,000	
25	East Punjab	Rohtak Camp	4,290	
26	East Punjab	Sonipat Camp	10,770	
27	East Punjab	Sharifpura Camp at Amritsar	55,000	
28	East Punjab	Khalsa College Camp at Amritsar	32,700	
29	East Punjab	Cantt. Camp at Amritsar	23,330	
30	East Punjab	Harness Factory Camp at Amritsar	2,200	
31	East Punjab	Chheherta Camp	12,390	
32	East Punjab	Jamalpur Camp	25,000	
33	East Punjab	Karnal Camp	10,000	
34	East Punjab	Kurukshetra Camp	24,600	
35	East Punjab	Panipat camp	10,000	
36	East Punjab	Gurgaon Camp	6,000	
37	East Punjab	18 small camps in Julhmdur Distt.	51,059	
				5,91,652
38	Delhi	Kingsway Camp	12,000	
39	Delhi	Wavell Canteen Camp	1,500	
40	Delhi	Kalkaji Temple Camp	1,600	
41	Delhi	Willingdon Aerodrome Transit Camp	900	
				16,000

S. No.	Name of Province	Name of Refugee Camp	Number of refugees in the camps	Remarks
42	Bombay	Dhulia Camps	1,032	
43	Bombay	Satara Camp	28	
44	Bombay	Kopsewadi Camp	399	
				1,459
45	Madras	Luttrels Garden Kilpank Camps	540	
46	Madras	Malayan Emigration Depot Camp	66	
47	Madras	Holiday Home Saidapet Camp	36	
				642
48	United Provinces	Lohta Camp at Benares	607	
49	United Provinces	Kusunbi Camp at Gorakhpur	250	
50	United Provinces	Phaphanan Camp at Allahabad	10,000	
51	United Provinces	Jhusi Camp at Allahabad	600	
52	United Provinces	Premnagar Camp at Dhersdun	5,372	
53	United Provinces	Ranipur Camp at Hardwar	3,586	
54	United Provinces	Ramnagar Camp at Roorkee	1,135	
55	United Provinces	Exhibition Grounds Camp at Saharanpur.	9,202	
56	United Provinces	Talkatora Camp at Lucknow	675	
57	United Provinces	Reception Camp at Lucknow	400	
58	United Provinces	Usif Manzil Camp at Lucknow	232	
				32,050
59	Bihar	Phulwari Camp	2,500	
60	Bihar	Gaya Camp	150	
61	Bihar	Rafi Ganj Camp at Gaya	150	
62	Bihar	Sasoran Camp at Arab	250	
63	Bihar	Motihari Camp	25	
64	Bihar	Muzaffarpur Camp	300	
65	Bihar	Samastipur Camp at Darbhanga.	150	
66	Bihar	Darbangha Camps	150	
67	Bihar	Baghalpore Camp	125	
68	Bihar	Jamalpur Camp (Monghyer)	350	
69	Bihar	Ranchi Camp	500	
				4,650

C. P.	1,900	
East Punjab	5,91,652	(including Kurukshetra).
Delhi	16,000	
Bombay	1,459	
Madras	642	
U.P.	32,059	
Bihar	4,650	
Total Indian Provinces	6,48,362	
Total Indian States	1,25,822	
Total non-Muslims	7,74,184	

Statement II

showing the number of non-Muslim evacuees in different refugee Camps

States.

Serial No.	Name of State	Name of refugee Camp	Number of refugees in camps	Remarks
1	Rewa	Satna Camp	258	
2	Jaipur	Jaipur Camps	3,000	There are 20,000 refugees in jaipur city.
3	Faridkot	2 Camps at Faridkot	Number not given.	
4	Pataudi	2 Camps at Pataudi and Shalpur	5,000	
5	Brijnagar	Brijnagar camp	400	
6	Brijnagar	Potan Camp	200	
7	Kashmir	City Camp Srinagar	5,150	
8	Kashmir	Baramoola camp	3,000	
9	Kashmir	Shopian camp	2,000	
10	Kashmir	Verinag Camp	1,000	
11	Kashmir	Chati Padshahi Camp	350	
12	Kashmir	Gagji Bagh Camp	1,500	
13	Kashmir	Wazirbagh Camp	3,000	
14	Kashmir	Old Hospital Camp	600	
15	Kashmir	Exhibition Camp	1,800	
16	Kashmir	Chawai Camp.	400	
17	Kashmir	Badgan Camp	3,000	
18	Kashmir	Mahura Camp	2,000	
19	Jaiselmer	Babala Camp	3,000	
20	Jaiselmer	Nachna Camp	3,000	
21	Jaiselmer	Shree Mohangarh Camp	600	
22	Jaiselmer	Krishengarh Camp	2,189	
23	Jaiselmer	Ramgarh Camp	2,189	
24	Jaiselmer	Jaiselmer Camp	2,189	
25	Mewar	Camps in Mewar State	3,000	
26	Alipura	Harpalpur, Kukrol and Sarser Camps.	250	
27	Patiala	Dukhewaran Sahib Camp	50,903	
28	Patiala	Baba Jasa Singh Camp	4,650	
29	Patiala	Akhaslagh Basti Camp	6,000	
30	Patiala	Dhuri Camp	200	
31	Patiala	Sunam Camp	195	
32	Patiala	Bhatinda Camp	643	
33	Patiala	Barnala Camp	137	
34	Patiala	Mansa Camp	329	
35	Patiala	Penjore Camp	416	
36	Patiala	Kandaghat Camp	176	
37	Patiala	Sanatan Dharam Camp	2,000	
38	Bharatpur	Bharatpur, Dug and Bayana Camps.	3,500	
39	Kumarsain	Two camps at Kumarsain	21	
40	Rajkot	Five camps at Rajkot	655	
41	Jetpur	Modhwadi, Dashashrimati Wadi and Khatuwadi camps.	260	
42	Nawanagar	Various camps in Junagadh	2,000	
43	Jodhpur	Caltex House Camp	1,000	
44	Jodhpur	Sikh Gurdwara Camp	300	
45	Jodhpur	Masamandir Camp	250	
46	Mandi	Mandi and Joginder Nagar Camps.	3,000	
47	Ghund	Ghund Camps	12	
		Total	1,25,822	

NOTE.—The information in respect of the camps in Central Provinces, East Punjab, Delhi Bombay, and Madras is correct upto the end of November 1947 and in the case of remaining Provinces and States upto the middle of December, 1947.

Shri T. T. Krishnamachari and Shri K. Santhanam's Starred Question No. 665(e) of 8th December, 1947

HINDUSTAN AIR-CRAFT FACTORY

[*Statement not printed in the day's Debates. A copy has been placed in the Library of the House.*—Ed. of D.]

Shrimati Renuka Ray's Starred Question No. 701(a) of 8th December, 1947

RAILWAY WORKSHOPS IN INDIA AND PAKISTAN

[*Statement not printed in the day's Debates. A copy has been placed in the Library of the House.*—Ed. of D.]

Supplementary to Mr. R. K. Sidhva's Starred Question No. 29 of 30th January, 1948

CONTRACT FOR PURCHASE OF FOODSTUFFS FROM ABROAD FOR 1948

The market prices of Jowari in Ethiopia have been extremely abnormal and there is no organised market in as much as even recently offers varying between Rs. 123 per ton *plus* 300 yards cloth per ton to Rs. 180 per ton *plus* 300 yards cloth per ton were received. Such variation in prices applied to other grains as well. It is thus difficult to say what were the prices of jowari prevailing in the market in Ethiopia at the time of making these contracts. Offers as received by us are the only indication of the trend of prices and these are accepted or rejected according to as their prices are worth our while or not in terms of rupees.

Shri Damoder Swarup Seth's Starred Question No. 95(c) of 3rd February, 1948

OUDH AND TIRHUT RAILWAY AND PILFERAGE OF GOODS

On the 18th September 1947 the Regional Food Controller, Benares Region, informed the Traffic Manager, O. T. Railway, that about 180 wagons containing Government food stuffs were still untraceable. The information furnished was incomplete; sufficient details were available only in regard to 21 of the consignments dating from January 1946 onwards.

A drive was promptly instituted by the Traffic Manager to trace these wagons and, through the Commercial Department, assisted by the staff of the Regional Food Controller, 28 wagons containing food stuffs were found lying unconnected—20 at Gorakhpur and 8 at Bhatni stations. These 28 wagons were brought into Gorakhpur and were made over to the Regional Food Controller. There has been no further complaint from the Regional Food Controller in this connection. The statement that several hundred unlabelled wagons standing in the yards of Gorakhpur and Bhatni stations were traced and seized by a Magistrate is not correct.

Shri H. V. Kamath's Supplementary to Shri Ramnarayan Singh's Starred Question No. 197 of 9th February, 1948

RECRUITMENT CENTRES IN BIHAR, BENGAL, ORISSA AND MADRAS PROVINCES

The recruiting organisation which covers the whole of the country is responsible for carrying out recruitment to the Indian Army. The whole of the territory of the Indian Dominion is divided into five recruiting areas each in charge of a Recruiting Officer. In addition, there is a special Recruiting Officer for Gurkhas.

2. Under each Recruiting Officer there are many Assistant Recruiting Officers, Extra Assistant Recruiting Officers and Honorary Recruiting Officers. The organisation reaches down to each village throughout the countryside. These Recruiting Officers carry out periodical tours within their areas and maintain active contacts with both the civil officials and also gentlemen of standing, and carry out intensive recruiting propaganda.

The machinery of the District Sailors, Soldiers and Airmen's Boards located at each civil district is also utilised for the purpose of recruiting.

In addition to the above, Army H. Q. issue Press Communiques and arrange for special broadcasts whenever necessary focussing the attention of the public to the activities of the Army.

Special recruiting parties are also sent out periodically from the Corps Regimental Centres to tour round recruiting areas and a series of Recruiting Melas are also arranged where necessary. Efforts made in organising these Recruiting Melas have borne abundant fruit by bringing in a large number of both ex-Service personnel and fresh recruits.

Pandit Mukut Bihari Lal Bhargava's Starred Question No. 317(a) to (c) of 18th February, 1948

REHABILITATION OF REFUGEES FROM PAKISTAN IN AJMER-MERWARA PROVINCE

Part (a)

	Number of refugees who migrated to Ajmer-Merwara during the period 1st August, 1947 to 31st January, 1948.
(a) Name of Province.	
Sind	46,410
West Punjab	1,912
Baluchistan	297
N.W. F. P.	86
Bahawalpur and Khairpur States	361
	49,066

Part (b)

	Number of refugees residing.
(b) Name of Town.	
Ajmer	43,983
Beawar	1,872
Nasirabad	631
Pushkar	463
Deoli Camp	1,625
Other part of the Province	542
Total	49,066

Part (c) No.

Pandit Mukut Bihari Lal Bhargava's Starred Question No. 321 of 18th February, 1948

CUSTODIAN OF EVACUEES' PROPERTY AND TOWN EXPANSION SCHEMES IN AJMER-MERWARA

The approximate number of shops, houses etc., left by the Muslim evacuees at Ajmer and other places is given below :—

	Shops.	Houses.
Ajmer	350	6,500
Beawar	26	439
Nasirabad	25	650
Kekri Sub-Division		500

With the exception of an undetermined number in predominantly Muslim localities, most of the shops and houses have been occupied by the non-Muslim refugees from Pakistan.

Dr. Bakshi Tek Chand's Starred Question No. 467(b) of 25th February, 1948

ALLOTMENT OF MUSLIM EVACUEES' FACTORIES AND INDUSTRIAL CONCERNS IN DELHI

97 allotments were made provisionally out of which 58 have been so far confirmed by the Custodian after personally interviewing the allottees. The remainder have not been completed due to the difficulty in evicting refugees occupying some of the allotted factories for residential purposes, and to the need for adjustments where such factories are unsuitable or unfit for production as well as other reasons. All the allottees are from Western Pakistan.

Giani Gurmukh Singh Musafar's Starred Question No. 587(b) of 1st March, 1948

PROGRAMME ASSISTANTS AND ARTISTS IN A. I. R.

STATEMENT

Number of Programme Assistants in All India Radio who actually

	write scripts dramas and features.	appear as voice in dramas and features.	Broadcast Indian Music.	Broadcast Western Music.
Delhi	4	1	1	..
Bombay	5	6	3	..
Central News Organisation	2	2	..	..
Trichinopoly	9	9	..	..
Jullundur	..	1	..	..
Calcutta	3	3	3	
Lucknow	3	3	2	..
Madras	10	13	2	..
Patna	..	2	1	..
Cuttack	1	..	1	..
Total	37	40	13	..

Shri Jaspat Roy Kapoor's Starred Question No. 751(c) of 15th March, 1948

REHABILITATION OF UNSUPPORTED REFUGEE WOMEN AND CHILDREN

There were 7,260 unsupported women and 5,863 children in camps in the various Provinces.

Shri Brajeshwar Prasad's Starred Question No. 761 (c) to (f) of 15th March, 1948

RECOVERY OF ONLY OLD NON-MUSLIM ABDUCTED WOMEN BY WEST PUNJAB GOVERNMENT

(c) and (d). Enquiries made have not so far proved any such occurrence.

(e) and (f). Do not arise.

Shri M. Ananthasayanam Ayyangar's Supplementary to Starred Question No. 766 of 15th March, 1948

DEBT SETTLEMENT AGREEMENT WITH FRENCH GOVERNMENT OF INDO-CHINA

Agreement between the Governor General of India and the Government of the French Republic relating to money and property situated in France, certain French territories and the Dominion of India which have been subjected to special measures during the war of 1939—1946.

The Governor General of India, hereinafter called "the Government of India" and the Government of the French Republic desiring to conclude an Agreement to facilitate

the restoration of money and property situated in the territories described in the Schedule hereunder written and belonging to persons who are and have been resident or carrying on business in these territories and which have been subjected to special measures during the war of 1939-1946 have agreed as follows :—

PART I—OBJECT AND SCOPE

ARTICLE 1

(a) For the purpose of this Agreement the expression "France", unless repugnant to the context, shall mean the territories described in Part A of the Schedule hereunder written, and the expression "French persons" shall, unless repugnant to the context, mean persons whose money and property have been dealt with under rule 114 of the Defence of India Rules (hereinafter called "the said rule") solely because they are and have been resident or carrying on business in France. The expression "Indian persons" shall mean persons whose money and property have been subject to special regimes solely because they are and have been resident or carrying on business in the territories which now form the Dominion of India.

(b) The present Agreement shall apply as regards the Dominion of India to money and property of French persons which have been dealt with under the said rule. It shall apply as regards France to money and property situated in France of Indian persons which have been subject to special regimes during the war of 1939-1946.

(c) It is expressly understood that this Agreement does not apply to settlements between the two contracting Governments or in which one or more Government Departments are concerned except by mutual agreement.

ARTICLE 2

This Agreement does not purport to deal with the position of the money and property of French and Indian persons under Revenue or Foreign Exchange Control legislation in force in the Dominion of India or France.

ARTICLE 3

Money and property in the Dominion of India of British subjects resident in France which have been dealt with under the said rule shall be dealt with outside the terms of this Agreement.

PART II.—MONEYS

ARTICLE 4

Bank Balances.—Bank Balances belonging to French and Indian persons shall be placed at the disposal of the original account holders.

ARTICLE 5

Commercial debts, interests and other moneys of a like nature due under contracts

(a) Commercial debts, interests and other moneys of a like nature actually held by the Custodian of Enemy Property for the Dominion of India (hereinafter referred to as "the Custodian") and due to French persons shall be transferred to the French Government with a view to the satisfaction of the claims of the creditors. In the case of obligations expressed in francs, the payment shall be made in francs at the rate of exchange current at the date when the transfer is made.

(b) Commercial debts, interests and other moneys of a like nature due to Indian persons shall be settled direct between the French persons who are debtors and their creditors in the Dominion of India, provided that where any amount on account of debts, interests and other moneys of a like nature due to Indian persons had been deposited by the French persons who are debtors with French Office des Changes or any other similar organisation, the amount so deposited will be transferred by the French Government to the Government of India in the currency in which the debts were expressed with a view to their satisfaction in part or whole as the case may be.

(c) The Government of the French Republic recognises that French persons who are debtors to Indian persons in respect of moneys of the kinds dealt with in this Article remain liable to their creditors until the debts are fully discharged in accordance with the terms of the appropriate contracts. In this connection the French Government will assist Indian persons who are creditors to trace and identify their debtors and facilitate the enforcement of the claims of the creditors against the original debtors, their heirs or successors.

ARTICLE 6

Other Moneys.—Other moneys such as those arising from the sale of goods, by way of legacies or under trusts or settlements or from other causes shall be dealt with in accordance with the provisions of Article 5.

PART III—PROPERTY

ARTICLE 7

Securities.—Securities belonging to French and Indian persons shall be placed at the Disposal of the original holders.

Nevertheless it is recognised that securities held in the territories of one contracting Government for Banks in the territories of the other contracting Government will only be released on proof that they are not beneficially owned by persons resident or carrying on business in a country with which the Government making the release is at war or by concerns incorporated under the laws of such a country.

ARTICLE 8

Immoveable property.—French and Indian persons shall be free to resume ownership and management of their immoveable property.

ARTICLE 9

Moveable property.—The two contracting Governments shall use their best endeavours to assist in tracing and returning the moveable property of French and Indian persons.

ARTICLE 10

Industrial, literary and artistic property.—Where the disposition of industrial, literary and antistic property is not covered by the provisions of any special agreement, it shall be dealt with under this Agreement.

ARTICLE 11

Commercial, financial and industrial undertakings.—Any restriotions (other than those which are common to all persons resident in France or the Dominion of India) which at present prevent French persons from reeuming the management or direction of their commercial, financial and indnetrial undertakings in the Dominion of India shall be removed and nny restrictions in France which may prevent Indian persons from resuming management or direction of their undertakings of the same description shall be removed likewise.

PART IV.—GENERAL

ARTICLE 12

Acts of dispossession.—The Government of the French Republic shall give no less favourable treatment to Indian subjects than to French citizens, in regard to property situated in France which has been the subject of acts of dispossession of the kinds covered by the Inter Allied Declaration of the 5th January 1943, or of discriminatory legislation and they will take the action necessary to restore any Indian rights or interests which have been prejudiced. The Government of India shall if any case of like nature should have arisen in the Dominion of India accord similar treatment to French persons concerned.

ARTICLE 13

Removal of legal obstacles.—The two contracting Governments agree to consider action for the removal of legal obstacles (including periods of prescription), arising from the war of 1939-1946 which may prevent an equitable settlement of outstanding indebtedness.

ARTICLE 14

Custodian.—The two contracting Governments will consult together on outstanding questions arising out of liquidations or similar proceedings undertaken in the Dominion of India in respect of the property of French persons vested in the Custodian and in the meantime will not, except in agreement, take action to complete proceedings at present pending.

ARTICLE 15

Fees.—Fees already levied on money or property coming under this agreement by the respective authorities will not be refunded. No further fees will be levied on either side in respect of such money or property provided that any expenses incurred in course of the administration and supervision of such assets may be charged.

ARTICLE 16

Estates of deceased persons.—In dealing with the estates in the Dominion of India of French persons, who have died since their money and property was dealt with under the said rule it is agreed that the terms of the Agreement shall not be applied until a legal personal representative has been appointed.

ARTICLE 17

Territorial application.—This Agreement shall apply to the territories described in the Schedule hereunder written but shall not apply to the French Establishments in India.

ARTICLE 18

Implementation.—The two contracting Governments shall consult together in order to decide the details of the procedure for giving effect to this Agreement which shall come into force on the date of signature.

In witness whereof, the undersigned, being duly authorised by their respective Governments, have signed the present Agreement and have affixed thereto their seals.

SCHEDULE

PART A

Metropolitan France including Corsica and Algeria;

Protectorate of Morocco and Tunisia;

French West Africa;

French Equatorial Africa;

French Somaliland;

Madagascar and its Dependencies;

Reunion;

French Guiana;

Guadeloupe;

Martinique;

St. Pierre and Miquelon;

Indo-China;

New Caledonia;

French Establishments in Pacific Islands;

New Hebrides Condominium.

Territory and the French Mandate of Cameroons and Togo.

PART B

Dominion of India.

Done in New Delhi in duplicate on the 15th day of June one thousand nine hundred and forty-eight, in English and in French both texts being equally authoritative.

Signed by Jawaharlal Nehru, Minister for External Affairs,
for and on behalf of the Governor General of India
in the presence of B. K. Kapur.

Signed by Daniel Levi, Ambassadeur de France aux Indes,
for and on behalf of the Government of the French Republic
in the presence of Rene Grimm Provence.

Shri B. P. Jhunjhunwala's Starred Question No. 827 (b) to (e) of 17th March, 1948

ALLOTMENT OF LAND TO POSTS AND TELEGRAPHS DEPARTMENT EMPLOYEES AT PATNA FOR CONSTRUCTION OF HOUSES

(b) No land was actually acquired from the Government of Bihar. A plot of land was, however, reserved by the Government of Bihar for the Posts and Telegraphs Department in 1929.

(c) No. The proposal was to construct quarters departmentally and to allot them to the staff on payment of rent.

(d) Owing to financial stringency it was decided to drop the proposal to construct quarters. Hence the reservation was cancelled.

(e) The plot of land is no longer available for the Posts and Telegraphs Department as the Bihar Government propose to construct quarters for their staff on it.

Mr. R. K. Sidhva's Starred Question No. 841 (a) to (d) of 18th March, 1948

GOVERNMENT OF INDIA'S OFFICES AT SIMLA AND CALCUTTA

(a) *Offices of the Central Government (Civil) functioning at Simla and Calcutta.*

Simla	Calcutta
35	75
(Appendix A)	(Appendix B)

(b) *Number of Gazetted and Non-Gazetted Officers and Subordinate staff employed in these offices*

Simla		Calcutta	
Gazetted Officers	Non-Gazetted Officers and Subordinate Staff	Gazetted Officers	Non-Gazetted Officers and Subordinate Staff
202	1,617	647	12,793

(c) In addition to Government buildings, 51 buildings have been requisitioned or leased for locating Central Government Offices, as given below :—

Simla		Calcutta	
Leased	Requisitioned	Leased	Requisitioned
1	..	31	19

(d) The annual rent paid for these buildings is :—

	Simla	Calcutta
	Rs.	Rs.
(1) Leased buildings	2,000 0 0	4,71,788 0 0
(2) Requisitioned buildings		2,39,947 12 0

APPENDIX 'A'

List of Offices of the Central Government (Civil) which are located in Simla

No.	Name of Office
1	Auditor General.
2	Director General of Archaeology (part).
3	Director General, Posts and Telegraphs (part).
4	Education Ministry (Statistical Unit).
5	Home Ministry (Godown, etc.).
6	Economic Adviser (part).
7	Ministry of Industry and Supply. (Director of Industrial Statistics).
8	Finance Ministry (part).
9	Inspectors of Customs and Central Excises.
10	Ministry of Law (part).
11	National Savings Central Bureau.
12	Newspriut Controller's Office.
13	Accountant General, Posts and Telegraphs.
14	Ministry of Communications (Railway Inspectorate).
15	Monitoring Office (All India Radio).
16	District Employment Office. (Ministry of Labour).
17	Central Technical Power Board.
18	Central Board of Irrigation.
19	Director of Labour Bureau.
20	Ministry of Information and Broadcasting (part).
21	Railway Board (part).
22	Commerce Ministry (part).
23	Director of Railway Audit.
24	Estate Office (one Section).
25	Superintendent of Insurance (Commerce Ministry).
26	Controller of Printing and Stationery (part).
27	Electrical Commissioner with the Government of India.
28	Director General, Health Services (part).
29	Intelligence Bureau (part).
30	Regional Food Commissioner.
31	Regional Director of Resettlement and Employment.
32	Income-tax Officer.
33	Executive Engineer, Central Public Works Department.
34	Salt Controller (Ministry of Industry and Supply).
35	Regional Commissioner (East Punjab States).

APPENDIX 'B'

List of the Central Government (Civil) Officers which are located at Calcutta

Serial No.	Name of officer
1	Assistant Director of Training (Supplies).
2	Superintendent, Archaeological Survey of India.
3	Commissioner of Income-tax (Central.)
4	Controller of Inspection.
5	Controller of Army Factory Accounts.
6	Controller of Coal Accounts,
7	Collector of Customs.
8	Collector of Central Excise.
9	Controller of Patents and Designs.
10	Chairman, Coal Mines Stowing Board.
11	Chairman, Trade Testing Panel.
12	Officer-in-Charge, Central Glass and Ceramic Research Institute.
13	Coal Commissioner.
14	Curator, Botanical Survey of India.
15	Controller, United States American Surplus Stores.
16	Secretary, Calcutta Terminal Facilities Committee.
17	Chief Research Officer-in-Charge, Central Inland Fisheries.
18	Director, Geological Survey of India.
19	Director, All India Institute of Hygiene and Public Health.
20	Director, Commercial Intelligence.
21	Director, Central Drugs Laboratory.
22	Director of Supplies.
23	Director, Regional Meteorological Centre.
24	Deputy Accountant General, Posts and Telegraphs.
25	Deputy Accountant General, Industries and Supplies.
26	Deputy Financial Adviser, Supplies.
27	Deputy Financial Adviser, Factories.
28	Station Director, All India Radio.
29	Director, Telegraphs, D. G. P. & T.
30	Deputy Registrar of Trade Marks.
31	Deputy Chief Controller of Imports.
32	Deputy Director-in-Charge, Stores and Stores Accounts Control Organisation.
33	Deputy Controller of Stationery, Central Stationery Office.
34	Director, United States Transfer Directorate.
35	Calcutta Division No. I, C. P. W. D
36	Calcutta Division No. II, C. P. W. D.
37	Mint Division, C. P. W. D.

APPENDIX 'B'—*contd.*

List of the Central Government (civil) officers which are located in Calcutta—contd.

Serial No.	Name of Officers
38	Mechanical Transport Division, C. P. W. D.
39	Calcutta Aviation Division No. I, C. P. W. D.
40	Calcutta Aviation Division No. II, C. P. W. D.
41	Airfield Arrear Division No. I.
42	Airfield Arrear Division No. II.
43	Central Electrical Division No. I.
44	Central Electrical Division No. II.
45	Aviation Electrical Division, C. P. W. D.
46	Iron and Steel Controller.
47	Inspector of Explosives.
48	Imperial Library.
49	Port Health Office.
50	Principal Seamen Welfare Office.
51	Protector of Emigrants.
52	Provincial National Savings Office.
53	Pension Pay Master.
54	Mercantile Marine Department.
55	Manager, Central Forms Stores.
56	Estate Manager, Government of India Estates.
57	Master of Mint.
58	Regional Director of Resettlement and Employment.
59	Regional Labour Commissioner (Central.)
60	Regional Commissioner (Disposals.)
61	Regional Food Commissioner.
62	Mathematical Instrument Office.
63	Calcutta Aviation Circle, C. P. W. D.
64	Central Circle No. 1, C. P. W. D.
65	Central Circle No. 2, C. P. W. D.
66	Central Electrical Circle, C. P. W. D.
67	Special Police (Delhi) Establishment.
68	Tea Controller of India.
69	D. A. D. G., Government Medical Store Depot
70	Manager, Government of India Press.
71	Chief Inspector, Engineering Stores.
72	Inspector, Sann Hemp Grading.
73	Registrar of Joint Stock Companies West Bengal
74	Survey of India, Eastern Circle.
75	Central Quinine Office.

Mr. R. K. Sidhva's Starred Question No .867 (e) and (f) of 19th March, 1948

PAY, LEAVE AND ACCOMMODATION FOR SWEEPERS EMPLOYED BY CANTONMENT BOARDS

[Part (e)]

Name of Cantonment	*Monthly pay of sweepers employed*
1 Ambala	From Rs. 10 to Rs. 18 p.m. *plus* Rs. 25 p.m. dearness allowance.
2. Amritsar	Rs. 11 p.m. *plus* dearness allowance.
3. Deghai	Rs. 15 p.m. *plus* Rs. 25 p.m. dearness allowance.
4. Ferozepore	From Rs. 10 to Rs. 18 p.m. *plus* dearness allowance.
5. Jullundur	From Rs. 10 to Rs. 20 p.m. *plus* dearness allowance.
6. Jutogh.	Rs. 13 p.m. *plus* Rs. 25 p.m. dearness allowance.
7. Kasauli	From Rs. 12 to Rs. 14 p.m. *plus* dearness allowance.
8. Khas Yol	Rs. 20 p.m. *plus* dearness allowance.
9. Nasirabad	From Rs 8 to Rs. 12 p.m. *plus* dearness allowance.
10. Subathu	Rs. 11 p.m. *plus* Rs. 25 p.m. dearness allowance.
11. Agra	Rs. 16 p.m. *plus* Rs. 16 dearness allowance.
12. Allahabad	From Rs. 7 to Rs. 12 p.m. *plus* dearness allowance.
13. Almora	From Rs. 13/8/- to Rs. 15/8/- p.m. *plus* dearness allowance.
14. Bareilly	From Rs. 13 to Rs. 16 p.m. *plus* Rs. 16 dearness allowance.
15. Banares	From Rs. 7 to Rs. 8 p.m. *plus* dearness allowance.
16. Barrackpore	From Rs. 19 to Rs. 22 p.m. *plus* Rs. 20 dearness allowance.
17. Kanpur	From Rs. 9 to Rs. 15 p.m. *plus* dearness allowance.
18. Clement town	From Rs. 17 to Rs. 21 p.m. *plus* Rs. 16 p.m. dearness allowance.
19. Dehra Dun	From Rs. 20 to Rs. 25 p.m. *plus* Rs. 16 dearness allowance.
20. Landour	From Rs. 15/8/- to Rs. 17 p.m. *plus* Rs. 16 p.m. dearness allwoance
21. Delhi.	From Rs. 11 to Rs. 20 p.m. *Plus* Rs. 25 p.m. dearness allowance.
22. Fatehgarh	Rs. 14 p.m. *plus* Rs. 14 p.m. dearness allowance.
23. Dinapore	From Rs. 8/8/- to Rs. 10/-8/- p.m. *plus* Rs. 22 dearness allowance.
24. Fyzabad	From Rs. 11 to Rs. 13 p.m. *plus* dearness allowance.
25. Jhansi	From Rs. 15 to Rs. 18 p.m. *plus* Rs. 14 p.m. dearness allowance.
26. Jalapahar	Rs. 20 p.m. *plus* Rs. 20 p.m. dearness allowance.
27. Lebong	Rs. 16 p.m. *plus* dearness allowance.
28. Lansdowne	Rs. 18 p.m. *plus* Rs. 14 p.m. dearness allowance.
29. Lucknow	Rs. 14 to Rs. 17 p.m. *plus* Rs. 16 p.m dearness allowance.
30. Meerut	Rs. 16 to Rs. 19/8/ p.m. *plus* Rs. 16 p.m. dearness allowance.
31. Mathura	Rs. 15 p.m. *plus* Rs. 14 p.m. dearness allowance.
32. Naini Tal	Rs. 18 p.m. *plus* Rs. 16 p.m. derness allowance.
33. Ramgarh	Rs. 15 p.m. *plus* Rs. 22 p.m. dearness allowance.
34. Ranikhet	From Rs. 16 to Rs. 18/8/- p.m. *plus* Rs. 14 p.m. dearness allowance.
35. Roorkee	From Rs. 16 to Rs. 18/ p.m. *plus* dearness allowance.
36. Shahjahanpur	From Rs. 19 to Rs. 21 p.m. *plus* Rs. 14 p.m. dearness allowance.
37. Shillong	Rs. 26 p.m. *plus* Rs. 11 p.m. dearness allowance.
38. Chakrata	Rs. 14 p.m. *plus* Rs. 21 p.m. dearness allowance.
39. Ahmedabad	Rs. 15 to Rs 25 p.m. *plus* Rs. 25 p.m. dearness allowance.
40. Ahmednagar	Rs. 15 p.m. *plus* Rs. 25 p.m. dearness allowance.
41. Belgaum	From Rs. 10 to Rs. 20 p.m. *plus* Rs. 25 dearness allowance.
42. Cannanore.	From Rs. 13 to Rs. 16 p.m *plus* Rs. 16 p.m. dearness allowance.
43. Deolali	From Rs. 9 to Rs. 15 p.m. *plus* dearness allowance.
44. Jubbulpore	From Rs. 12 to Rs. 25 p.m. *plus* Rs. 20 p.m. dearness allowance.
45. Kamptee	From Rs. 12 to Rs. 14 p.m. *plus* dearness allowance.
46. Kirkee	From Rs. 10 to Rs. 21 p.m. *plus* dearness allowance.
47. Pachmarhi.	From Rs. 9 to Rs. 15 p.m. *plus* dearness allowance.
48. Poona	From Rs. 13 to Rs. 15 p.m. *plus* Rs. 25 p.m. dearness allowance.
49. Saugor	From Rs. 9 to Rs. 21 p.m. *plus* 21/12/- p.m. dearness allowance.
50. St. Thomas Mt. cum Pallavaram	Rs. 16/14 p.m. *plus* Rs. 18 p.m. dearness allowance.
51. Wellington	From Rs. 17/8/- to Rs. 20 p.m. *plus* Rs. 16 p.m. dearness allowance.
52. Bakloh	Rs. 13 p.m. *plus* Rs. 25 p.m. dearness allowance.
53. Dalhousie	Rs. 15 p.m. *plus* Rs. 25 p.m. dearness allowance.

(f) Twentyeight Cantonment Boards give their sweepers free quarters or house rent allowance; ten Boards provide rent free quarters only to a few of their sweepers; while two Boards provide quarters and charge a nominal rent.

Shri Ramprasad Potai's Starred Question No. 876(a) of 19th March, 1948

CASH BALANCES AND RESERVES MADE OVER TO PROVINCIAL GOVERNMENTS BY CHATTISGARH STATES

Name of State treasury	Balances (Cash, Bank and Stamps)	Reserve (Securities and other reserves)	Total
1. Surguja	31,145 0 0	..	31,145 0 0
2. Korea	38,605 0 0	..	38,605 0 0
3. Changbhakar	20,191 0 0	..	20,191 0 0
4. Raigarh	2,46,770 0 0	68,900 0 0	3,15,670 0 0
5. Udaipur	1,23,016 0 0	2,34,900 0 0	3,57,916 0 0
6. Jashpur	1,17,502 0 0	..	1,17,502 0 0
7. Sarangarh	44,973 0 0	..	44,973 0 0
8. Sakti	1,19,118 0 0	91,000 0 0	2,10,118 0 0
9. Khairagarh	95,148 0 0	..	95,148 0 0
10. Kawardha	1,19,630 0 0	2,31,767 0 0	3,51,397 0 0
11. Nandgaon	5,99,892 0 0	51,01,900 0 0	57,01,792 0 0
12. Chhuikhadan	44,768 0 0	87,000 0 0	1,31,768 0 0
13. Bastar	8,44,773 0 0	43,78,681 0 0	52,23,454 0 0
14. Kanker	4,37,912 0 0	7,24,500 0 0	11,62,412 0 0

Shri Ramnarayan Singh's Starred Question No. 904 (e) and (f) of 19th March, 1948

STAFF AND METHOD OF APPOINTMENTS IN OFFICE OF ACCOUNTANT GENERAL, BIHAR

(e) Seven posts of Upper Division clerks and one post of grade IV servants are lying vacant in the main office of the Office of the Accountant General, Bihar, since June 1947, and March 1948 respectively. Sanction to these posts exists upto the June 1948. Seven posts of Upper Division clerks and three posts of grade IV servants are lying vacant in the Local Audit Branch of the Office of the Accountant General, Bihar, since June 1947. Their sanction exists upto February 1949. These vacancies could not be filled due to the failure of Employment Exchange and Transfer Bureau to supply the men. The Government of India have since asked the Auditor General to recruit surplus persons from the Military Accounts Department and as such the Accountant General, Bihar, has notified the above vacancies to the Controller of Military Accounts, Patna. They will be filled as soon as the men are available from the Military Accounts Department.

(f) Thirty-one Upper Division clerks, nine Lower Division clerks, and three grade IV servants were transferred to Pakistan from the office of the Accountant General, Bihar ,of whom three Upper Division clerks, two Lower Division clerks and three grade IV servants have been retransferred from Pakistan to the Accountant General's office. Nineteen Upper Division clerks were transferred from Pakistan to the Accountant General's office of whom one Upper Division clerk has since resigned his appointment.

Mr. R. K. Sidhva's Starred Question No. 967(a) of 29th March, 1947

REDUCTION IN PASSENGER SEATS ON VARIOUS INDIAN AIR ROUTES DUE TO HEAVY FREIGHT

[Statement not printed in the day's Debates. A copy has been placed in the Library of the House.—Ed. of D.]

Shri Kishori Mohan Tripathi's Starred Question No. 968(a) of 29th March, 1948

PICK-POCKETS ON PLATFORMS AND RUNNING TRAINS ON BENGAL NAGPUR RAILWAY

The details of the number of cases of pocket-picking which took place on the Sections Jharsuguda-Monharpur and Tatanagar-Chakradharpur during the years 1945 to 1947 were as under:—

Year	Number of cases
1945	49
1946	32
1947	40

Mr. R. K. Sidhva's Starred Question No. 978 of 29th March, 1948

POST OF DIRECTOR OF INDIAN FOREST EDUCATION AT DEHRA DUN

The Honourable Shri Jairamdas Doulatram : (a) from 1st April 1945.

(b) Rs. 1,750—100—2,150.

(c) Yes.

(d) The post of Director of Forest Education is fully justified for the following reasons :—

The principal duties of Director of Forest Education were

(1) Supervision of Forest Education in both the Colleges and co-ordination of work between them.

(2) To scrutinise the applications for allotment of seats in both the Colleges received from various Provinces and States and to help the Inspector General of Forests in the final allotment of seats.

(3) Scrutiny and approval of the tour programme submitted by the heads of both the Colleges to ensure that the programmes of classes of both Colleges are properly co-ordinated and planned as economically and efficiently as practicable.

(4) To inspect the various classes of both the Colleges on tour to see that the students are being suitably trained and that the instructions are upto standard.

(5) To scrutinise and approve lecture programmes for each class at headquarters of both the Colleges. To arrange for special lecturers in 1st Aid, Rifle training and riding with local authorities of the Red Cross and the Indian Military Academy, also. Field Engineering Courses at Roorkee with K. G. V. O., Sappers and Miners.

(6) General overall control over both the Colleges in their day to day administration.

The whole set up of Forest Education is being reviewed.

Prof. N. G. Ranga's Starred Question No. 1002(a) of 29th March, 1948

ORGANISATION OF CO-OPERATIVE DRYING AND CURING OF FISH AND PROVISION FOR TRANSPORT FACILITIES

Bombay.—The Government of Bombay have reported that no official efforts have been made to organise drying and curing of fish on a co-operative basis. The need for this has not arisen as Co-operative methods are already employed for using drag nets (rampan). These nets (over a mile in length) are made on a Co-operative basis; each fisherman contributing not only the cost of a certain length of the net, but also his labours in its manufacture and operation. The fish caught by such nets on the West Coast of India belongs to the contributing fisherman who either sell or cure and dry it on a co-operative basis. The largest quantity of fish caught and landed on Bombay Coast is by means of such nets.

Besides, the Fisheries Department is encouraging fishermen (i) to obtain loans for the manufacture of larger and deeper nets and (ii) owners of such nets to own power-propelled vessels for transport of fish to Bombay. Salt is also supplied to fish curers for curing fish and permanent cement concrete platforms in the important yards, etc., are provided.

Orissa.—In Orissa under the supervision of the Fisheries Department of the Provincial Government 12 fish curing yards have been established along the coast of Orissa where fishermen of neighbouring villages cure fish on a large scale. Salt was being supplied duty free at these yards before the abolition of Salt duty. Six Fishermen Co-operative stores are attached to these yards and fishermen obtain their requirements of materials, implements and credit through these co-operative stores. Efforts are being made to encourage the organisation of more fishermen Co-operative Societies for the purpose.

Madras.—The Government of Madras are maintaining a large number of fish curing yards, *viz.*, 64 yards on the West Coast and 50 on the East Coast of the Province, where fishermen are given all facilities to cure fish under the supervision of the staff of the Fisheries Department whose main objective is to prevent bad fish from being cured and marketed. Duty free salt was being issued to the fishermen before duty on Salt was abolished. With an organised and stable machinery in operation and the issue of duty free salt for curing the need for the establishment of separate co-operative societies for drying and curing fish was not felt. For the same reasons the large number of fishermen

co-operative societies functioning did not transact any business relating to the production of cured fish. With the abolition of salt duty, the incentive for the curers to cure their fish in Government yards has disappeared. For restoring the waning interest of fishermen, the Provincial Government are contemplating to approach the Central Government to bear a part of the issue price of salt equivalent to the duty previously foregone, so that more fish may be cured under proper supervision at the curing yards and supplied to all the part of India.

West Bengal.—In West Bengal attempts are now being made through the fish curing yard opened at Contai to organise the fish curers of Contai Coast (in the district of Midnapore, where most of the catches are dried for want of suitable road or rail transport) to dry fish by hygienic methods.

Cochin.—In Cochin fish marketing co-operative societies have been organised for the fishermen of the West Coast of Cochin State and almost every village has got one such Society now. The object of the societies is to encourage co-operative curing and marketing.

Travancore.—In Travancore efforts were made to organise co-operative drying and curing of fish at Aroor in Shertallai Taluk but were not successful. A model fish curing yard intended to popularise co-operative drying and curing of fish is under construction at Cape Comorin, financed jointly by the Central Government and the State Government.

Shri Ramnarayan Singh's Starred Question No. 1010(a) of 29th March, 1948

TRACTORS IN USE IN VARIOUS PROVINCES FOR AGRICULTURAL DEVELOPMENT

The number of tractors in use for Agricultural purposes in Bihar and the East Punjab is as follows :—

Bihar—116.

East Punjab—12.

Information regarding the number of tractors owned by private individuals is not available at present.

Shri Deshbandhu Gupta's Supplementary to Shri V. C. Kesava Rao's Starred Question No. 1050 of 30th March, 1948

CONTROL OF RENT FOR BUILDINGS IN DELHI PROVINCE

Two prosecutions are reported to have been launched under Section 13 of the Delhi and Ajmer-Merwara Rent Control Act, 1947 (XIX of 1947) during the last financial year and are pending trial in Court.

Giani Gurmukh Singh Musafar's Starred Question No. 1058 of 30th March, 1948

ATTACHED AND SUBORDINATE OFFICES UNDER RELIEF AND REHABILITATION MINISTRY

FACT FINDING ORGANISATION BOMBAY AND MARWAR

Bombay (Head Office)

Gazetted Officers	*Non-Gazetted staff*	
Fact Finding Officer—1	Assistant Fact Finding Officers	2
	Stenographer	1
	Clerks & Typists	3
	Peons	3
Ajmer (Branch)		
	Assistant Fact Finding Officers	2
	Stenographers	2
	Peons	2
Marwar (Branch)		
	Assistant Fact Finding Officer	1
	Stenographer	1
	Peon	1

Shri V. C. Kesava Rao's Starred Question No. 1084 (ii) of 31st March, 1948

PERSONS NOMINATED TO I.C.S. OR INDIAN ADMINISTRATIVE FROM WAR SERVICE, PROVINCIAL SERVICE, ETC.

Statement showing Provincial Service Officers promoted to the Indian Civil Service or the Indian Administrative Service after the War.

Assam	2
Bihar	Nil.
Bombay	1
Central Provinces & Berar	Nil.
East Punjab	20 (Officiating)
Madras	27
Orissa	30 (Officiating)
United Provinces	7*
West Bengal	38 (36 Officiating)
Total	125

Dr. Bakshi Tek Chand's Starred Question No. 1100 of 31st March, 1948

ATTACK ON WAZIR-I-WAZARAT AND OTHER STATE OFFICIALS OF LADAKH AT SKARDU

(a) Yes.

(b) Presumably the attack was made by Muslim deserters who joined enemy.

(c) Yes.

(d) One deserter was captured and ten others, involved in attack and loot were killed in operations.

Note.—*27 Provincial Service Officers are to be appointed to the Indian Administrative Service shortly.

Mr. R. K. Sidhva's Starred Question No. 1119(g) of 1st April, 1948

DISPOSAL ARTICLES WITH GOVERNMENT

Statement showing details of thefts occurred till 1-4-1948. from Government Disposals Depots and the action taken thereon

Name of Depot	Date of occurrence	Description	Quantity	Remarks
(1)	(2)	(3)	(4)	(5)
Alipore Air Strip	16-10-1948	Tyres .	2	Two outsiders were caught red-banded and handed over to the Alipore Police.
No. 3 A.S.S.U. Workshops (Blue earth).	27-10-1947	Certain M.T. Spare parts	..	The matter was reported to the Police, but has been filed by them as no clue could be obtained. As it was not possible to pin down responsibility on any of the security personnel, no action could be taken against them.
Brooklyn	9-11-1947	Jam Nuts .	178	14 men raided the depot: The following 4 were caught by the Guards and handed over to the Port Police for action:—
		Dodge Valvee Part No. 868. .	200	1. Abdul Aziz. 2. Kanya Chandra Dass. 3. Shaik Abdul. 4. Waris Ali.
Brooklyn .	13-11-147	Needles Singer Sewing Machine	591	These stores were recovered at the gate when a squad of firemen was passing out after they had finished their night duty. The Chief Fireman B. K. Chatterjee was taken into Police custody by the O. C. South Division, Port Police, Kidderpore.
		Micrometer Depth Gauge .	4	
		Micrometer Calipers . .	5	
Dead City Siding . .	14-11-1947	Batteries Boxes . . .	4	Matter reported to Alipore Police and Guard Bir Bahadur Gurung dismissed from service.
Kamarhati Hangars Cossipore.	25-11-1947	Microphones . .	48	4 Microphones were recovered and the Guards implicated put up for discharge.
Kamarhati Warehouse Cossipore.	22-12-1947	Tubes 2 JIN5GT .	1,440	Barrangore Police are investigating the case and a Board of Officers has been convened to investigate further into the loss.
Heavy Equipment Yard .	16-11-1947	Headlights from Autocars .	7	Police are conducting investigations.
Belghurria Salvage .	31-10-1947	Salvaged (old) Tyres . .	34	Matter reported to police. As no clue could be obtanined, the case was filed by the Police.
Howrah Tyres .	13-11-1947	Tyres Size 7·50×22 .	22	Police investigation has not resulted in anything. Board of Officers is being convened to conduct further investigations in the case.
Empress Medical Stores Depot, Howrah.	24-11-1947	Thermometers Clinical . .	7,990	Police have not been able to do anything. Board of Officers was convened on 15-12-1947 to investigate into the loss. The following personnel were dismissed from service:— 1. Sher Jung. 2. Budhiman Roy.

STATEMENTS LAID ON THE TABLE

1	2	3	4	5
Kamarhati, Cossipore .	1-1-1948	Typewriter—MC-88	1	Khardah Police investigating the case. Karna Singh Burna of depot staff taken into police custody.
Brooklyn	1-1-1948	Some items of A-in-U equipment from operational pool.		As no evidence is available as to who committed the theft, a Board of Officers is being convened to investigate into the circumstances leading to this theft.
Hoboken .	9-1-1948	Copper Ingots—2 . 16 pcs. Zinc Steel .	112 lbs. 240 lbs.	Ditto.
Kamarhati, Cossipore .	10-1-1948	Tubes 3Q5GT .	2,789	Khardah Police investigating the case. The following Depot staff have been taken into custody and dismissed from service:- 1. Guard Man Bahaddr Chhetri—absconding. Police have written to O. C, Gulmi, Police Station Nepal to search his house, put him under arrest and send him to Barrakpore Court. 2. Bhadru Bahadur. Board of Officers is convened for further investigations in the case
Alipore Air Strip . .	13-1-1948	Headlights . . Tyres . .	4 7	Four Guards involved in the case have been dismissed.
Brooklyn . .	18-1-1948	Dynamo . . . . Distributors . . . Magneto	1 3 1	The following personnel were caught red-handed, and handed over to South Dock Police who are conducting investigations in the case:— 1. T. No. Bkly 2302 Madhu Prasad Upadhya. 2. T. No. Bkly 2306 Purna Tamang.
Belghurria Salvage . .	26-1-1948	Steel Mats light and heavy	37	Barrangore Police are still investigating the case.
Empress Medical Stores .	26-1-1948	Quinine Bottles . .	68	These were found deficient on checking stock on 26-1-1948. Board of Officers is being convened to investigate into the circumstances leading to this discrepancy.
Hoboken	29-1-1948	Table fans . . .	2	The Warehouseman Mohd. Raju has been suspended until investigation by a Board of Officers.
Lansdowne	1-2-1948	Corrugated Sheet—large Corrugated Sheet—Small	200 100	Dum Dum Police investigating. The following staff taken into police custody:— 1. Head Jemadar Joseph. 2. Round Jemadar Padam Bahadur. 3. Mr. D'Souza—Store Keeper.

				The following staff have been suspended :— 1. B. K. Srinivasan—Supervisor. 2. Mr. D'Souza—Store Keeper. Noor Mohd, an outsider, involved in this case, is absconding. The stores are lying with the Police pending disposal of the case.
Belghuriah Salvage Depot.	5-2-1948	Steel Mats, light and heavy	35	Case still under investigation by Barangore Police.
Hoboken Warehouse No. 6.	6-2-1948	Spares: Mostly Bearings ; Ball: Brig. Co.	774 lbs.	The Warehouseman, Mr. Mills, suspended · a Board of Officers has been held to investigate into the circumstances leading to the theft.
Alipore Air Strip .	7-2-1948 8-2-1948 9-2-1948	Four Headlights . . . One Headlight . . . One Tyre . .		The Head Jeroadar and three Guards involved in the case have been dismissed from service.
Brooklyn	12-2-1948	Dynamo . .	1	Guard Karma Bahadur was caught red handed ; handed over to the Police and dismissed from service.
Lothian Depot Budge Budge.	13-2-1948	Pencils, Mechanical .	664	Budge Budge Police are investigating. The following personnel have been arrested : — *Depot Staff* :— 1. Bahadur Chandra Mondal—Coolie. 2. Dadar Mia—Coolie. 3. Naba Kumar Dhara. 4. Sambhu Das—Coolie—absconding. *Outsiders* — 1. Abdul Mia—Tailor. 2 Lala Mia—Durwan of Jute Mill. Board of Inquiry is being held.
Kamarhati . .	16-2-1948	Tubes type 3Q5GT . .	72	Khardah Police investigating the case. The following depot staff have been arrested and have since been suspended :— 1. CS —977 Kharag Bahadur Chhetri 2. CS —987 Chagya Mun Gurung. 3. CS —987 Purna Tamang. 4. CS —207 Fitter Nainulla Khan. 5. CS 924 Purna Bahadur Tamang of Kamarhati Warehouse. Board of Officers has been convened to investigate into the circumstances leading to the theft.

1	2	3	4	5
Alipore Air Strip . .	28-2-1948	Truck 2½ ton 6×6 Cargo LWB without winch GMC USA No. 4654139 Chassis No. 353422651-A2 Eng. No. 270514827.	1	Theft reported to Port Police and Alipore Police Station Lal Bazar Police Hqrs. also contacted who have sent word round to all Police Stations to be on the look out for this vehicle. The vehicle No. Chassis No. an Engine No. have been communicated to them all. Board of Inquiry has been convened to investigate further into the case. One Guard is absconding.
Hoboken Warehouse	7-3-1948	Table fans A.C.	One	The fan has been recovered. The thief who is an outsider is absconding. Docks Police making investigation.
Belghurriah Pipeline .	Exact date not known Detected on 8-3-1948	Pipe Steel API line black-seamless. Grooved for Vict. cplgs. 20 ft. each	56 Nos. or 1120 ft.	27 Nos. have been recovered. Three outsiders have been arrested. Barana-Police is investigating. 29 Nos. of Pipeline untraced.
Cossipore Signal Depot. .	17-3-1948	Accessories for maintenance of Remote control equipment.	One Box.	Chitpur Police investigating. Three guards taken into custody.
Do.	19-3-1948	Bulbs for Torch Tungrol: ten in a carton	284 cartons.	Ditto.
Paharpur Signal Depot .	23-3-1948	Copper wire coils	64	Four outsiders caught red-handed with lorry No. BLL. 7706 loaded with the stores. The case is proceeding in Court. Final result not known.

Stricter and more effective security measures have been taken. They are reviewed from time to time and modified as necessary. Police are always informed and their help is invariably sought. Where evidence is conclusive against an employee of the Depot. necessary action is taken against the individual. Further reports recived show that the number of thefts has been considerably reduced.

Shri B. Shiva Rao's Starred Question No. 1186 of 2nd April, 1948

GOVERNMENT FURNITURE DUMPS IN NEW DELHI

Location of the furniture dump	Year in which dump was formed	Book value of the furniture in the dump when it was originally formed	Book value of the furniture subsequently written off as unserviceable in July 47, and Feb. 48 and sold by public auction	Book value of the remaining furniture that was left in the dump (as in April 1948 Col. 4 minus Col. 5)	Estimated actual value of the furniture in Col. 6 at the time the dump was formed	Estimated present actual value of the furniture in Col. 6	Depreciation (Col. 7 minus col. 8)	Remarks
		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	
1. Travancore House	1946	43,122	4,800	38,322	19,161	15,329	3,832	The balance of furniture still at Travancore house is stored in a hall and not in the open. This will be shifted to Barakhamba stores within a month's time. This furniture is serviceable and will be issued to officers on demand, as in the case of other furniture stored at Barakhamba.
2. Aurangzeb Road	1946	1,02,441	85,588	16,853	8,426	6,741	1,685	Part of the furniture lying in this dump has since been issued to other officers or taken to the Central Stores at Barakhamba. The balance of furniture now actually left in the dump is small, the depreciated value of which is Rs. 4,700. Even this has been auctioned off but has not yet been removed by the parts to whom it has been sold.

STATEMENT LAID ON THE TABLE

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3	Aardinge Avenue .	1944	27,000	19,700	7,300	3,650	2,920	730
4.	Pandara Road . .	1944	1,36,000	36,000	1,00,000	50,000	40,000	10,000
5.	Cornwallis Road .	1944	16,000	10,000	6,000	3,000	2,400	600

All the furniture left behind in these dumps has since been cleared up, having been issued to other offices or transferred to Central Stores at Barakhamba.

NOTES: — (1) Besides the above there is also a surplus furniture store at Barakhamba at which furniture, which is rendered surplus from time to time is stored. There is at present in this, Store, furniture whose book value is Rs. 86,452.

(2) Figures in Col. (7) are only a rough calculation, as it is not possible at this stage to state accurately the actual value of the furniture when the dumps were first form.

Shri Ramnarayan Singh's Starred Question No. 1169 of 1st April, 1948

TENDERS FOR LABOUR AT GAYA, MUGHALSERAI, MOKAMEH GHAT, JHAJHA, DHANAPUR AND BARMADIH RAILWAY STATIONS

(a) *Loco Sheds.*—Tenders in respect of contracts to supply labour were invited for all the six stations in 1945-46, and for Gaya, Jhajha, Barwadih only in 1946-47. Lowest tenders were generally accepted except in cases of key points where experience and financial status of the tenderers were taken into consideration.

Goods Handling.—Tenders were not invited in the year 1945-46 but in 1946-47, open tenders were invited for Gaya, Moghalsarai, and Mokameh Ghat, tenders were not invited for Jhajha, Dinapur, and Barwadih stations. The selection of contractors was made by the Tender Committee formed for the purpose, the basis of selection being the rates quoted, as well as the experience and financial status of the tenders.

Supply of Licensed Porters.—Tenders were not called for.

(b) and (c). The names of the tenderers and of the firm securing the contract are given below :—

Loco Sheds 1945-46.

Jhajha Shed.—M/S (1) Surendranath Rudrakishore, (2) Shyam Sunder Lal, (3) Ghosh Banerjee, (4) K. P. Shukla, (5) Sham Nandan Pd. Singh, (6) P. N. Ghosh, (7) Nazir Ahmed Iftekhar Ahmed, (8) K. P. Sinha, and R. P. N. Sinha, (9) Bishwanath Singh, (10) Benersi Pd. Newatia. (aaa) Contract was given to Mr. Shyam Sunder Lal.

Mokameh Ghat.—M/S. (1) N. P. Agarwal, (2) Shyam Sunder Lal, (3) Surendranath Rudrakishore, (4) Shamnandan Pd. Singh, (5) K. P. Shukula, (6) Tainee, (7) Bansidhar G. K. Sinha, (8) Iftekhar Ahmed Noor Mohamed, (9) Hari Singh Dewan Singh, (10) K. P. Singh and R. P. Singh, (11) R. K. Singh and S. N. Singh. (12) Ghosh Banerjee (13) P. N. Ghosh, (14) Satnarain Ram, (aaa) Contract was given to Mr. N. P. Agarwal.

Dinapore Shed.—M/S. (1) Surendra Nath Rudra Kishore, (2) Ram Sewak, (3) Fazal Karim, (4) Purshotam Lal, (5) Mobd. Yasin, (6) Ramanand Shaw, (7) Shamnandan Pd Singh, (8, K. P. Shukula, (9) Layaquate Hussain, (10) S. M. Basiruddin, (11) Nazirahmed, (12) Hari Singh Dewan Singh, (aaa) Contract was given to M/S. Surendranath Rudrakishore.

Moghalsarai Shed.—M/S. (1) B. Agarwal, (2) Purshottam Lal. (3) Nazirahmed Iftekhar Ahmed. (4) Shamnandan Pd. Singh, (5) S. N. Panday and Ramadin Panday, (6) Benersi Pd. Newatia, (7) Hari Singh Dewan Singh, (8) Thakurdin and Sons. (aaa) Contract was given to M/S. Nazirahmed Iftekharahmed.

Gaya Shed.—M/S. (1) Ghosh Banerjee, (2) I. P. Sinha, (3) Pursottam Lal, (4) Bhudeb Banerjee, (5) Tipen Pd. Singh, (6) K. P. Sinha and R. P. N. Sinha, (7) Hari Singh Dewan Singh, (8) Mohini Ghosh, (9) P. N. Ghosh, (10) A. I. Wintle, (11) Barhoo Mahto, (12) Nazirahmed Iftekharahmed, (13) M/S. Raichoudhery & Co. (aa) Contract was given to Mr. I. P. Sinha.

Barwadih Shed.—M/S (1) Bisheshar Pershad, (2) Shamnandhan Prasad Singh, (3) K. P. N. Sinha, and R. P. Sinha, (4) Iftekhar Ahmed Sobhan Ansari (5) Ghosh Banerjee (aaa) Contract was givn to Mr. Bisheshar Parsad.

Loco Sheds 1946-47.

Jhajha Shed.—(1) Ramadin S. N. Panday, (2) P. N. Ghosh, (3) Nazir Ahmed Iftekhar Ahmed (4) D. P. Singh, (5) P. B. Ghosh, and Sons, (6) Shyam Sunder Lal. Contract was given to Mr. P. N. Ghosh.

Gaya shed.—(1) Messrs. Raichaudhery and Co., (2) Bisheshar Parsad, (3) Pursottam Lal. (4) Sohhan Ansari, Iqbal Ahmed. (5) P. N. Ghosh, (6) Umeshdeo Narayan Pd. Singh. (7) R. Ghosh, (8) Wazir Singh, (9) N. K. Kar. (10) Nazirahmed Iftekhar Ahmed. (11) C. Hocquet, (12) A. I. Wintle, (13) Ramadin S. N. Panday. Contract was given to M/S. Raichaudhry and Company.

Barwadih Shed.—(1) M/S. Raichaudhry and Co., (2) S. M. Basiruddin Ansari. Contract was given to M/S. Raichaudhry and Company.

Goods Handling, 1946-47.

Gaya.—(1) Ballabhdas Agarwal, (2) Sham Bahadur, (3) Bery, Bros., (4) Bansidhar G. K. Sinha, (5) Bird and Co., (6) B. Banerjee. (7) S. N Pandey, (8) Benarsi Parsad Newatia. Contract was given to Ballabhadas Agarwal.

Mokameh Ghat.—(1) Rai Saheb H. P. Varma, (2) B. P. Singh, (3) Barhoo Mahto, (4) Sham Bahadur, (5) Ballabhadas Agarwal, (6) Tek Narain Lall, (7) B. N. Ojha, (8) S. N. Pandey, (9) Bansidhar G. K. Sinha, (10) A. P. Singh, (11) Bird and Co., (12) Bery Bros., (13) Benarsi Prosad Newatia. Contract was given to Rai Saheb H. P. Varma.

Shri H. V. Kamath's Starred Question No. 1253(b) of 6th April, 1948.

BRIDGE OVER BETWA RIVER BETWEEN JHANSI AND LALITPUR ON DELHI NAGPUR TRUNK ROAD.

The road crossing is about 7 miles upstream of a canal dam on the river which consequently forms a pool at this spot.

During the monsoon, a ferry service fit for transporting motor cars and trucks is maintained.

During high floods, the crossing becomes un-navigable sometimes for three days at a time.

In fair weather, also the ferry service operates except when the river is allowed to dry up when the reservoir upstream of the canal dam is emptied. Through traffic can then use a diversion constructed during the war and cross the river at the toe of the canal dam which remains dry.

Ch. Ranbir Singh's Starred Question No. 1330 of 8th April, 1948

HOTEL IN PREMISES OF *Zanana* TIBBIA COLLEGE, DELHI

Ayurvedic and Unani Tibbia College, Delhi.—No hotel has ever been started in the premises of the *Zanana* Tibbia College, Delhi.

Shri V. C. Kesava Rao's Starred Question No. 1360(d) of 9th April, 1948

INDIA'S REQUIREMENTS AND PRODUCTION OF SODIUM SULPHIDE

No systematic survey of the Eastern Ghats for the raw material Sodium Sulphate has so far been undertaken by the Geological Survey of India. The question of the investigation of the area in question during the next field season is being taken up with the Director, Geological Survey of India.

Shri Satis Chandra Samanta's Starred Question No. 1409 of 9th April, 1948

BORSTAL INSTITUTIONS IN CENTRALLY ADMINISTERED AREAS

There is no Borstal Institution or Reformatory School in the Centrally Administered Areas except one Reformatory School in Delhi, which is under the administrative Control of East Punjab Government.

Prof. Shibban Lal Saksena's Starred Question No. 1410 of 9th April, 1948

ALLEGATINGS AGAINST R.S.S.S. ORGANISATION RE PREACHING OF VIOLENCE AND COLLECTION OF ILLICIT ARMS, ETC.

Government of India have made enquiries and are informed that in all ten Rashtriya Swayam Sewak Sangh offices were searched in the Centrally Administered Areas. Also 416 other searches were made. As a result thereof, 10 hand grenades of military pattern and about 2,000 cartridges of different types were discovered. Since no objectionable documents, etc., were found, the question of placing them on the table of the House does not arise.

Prof. Shibban Lal Saksena's Starred Question No. 1412 (f) to (h) of 9th April, 1947

ARRESTS OF R. S. S. S. MEN IN CENTRALLY ADMINISTERED AREAS

(f) and (h). In Ajmer-Merwara, the R. S. S. S. men were treated as security prisoners, and the Ajmer-Merwara Security Prisoners' Order, 1944, was made applicable to them for the purpose of maintenance of discipline, the punishment of offences, etc. The Ajmer-Merwara Security Prisoners' Order, 1944, prescribes only two classes—Classes I and II. The scales of Rs. 2 per head per day for Class I and Rs. 1-80 for Class II was sanctioned by the Chief Commissioner under rule 4 of the said Order for these persons. No other special class treatment was given.

(g) In Delhi, 18 were placed in Class I and 430 in Class II, while, in Ajmer-Merwara 7 were placed in Class I and 94 in Class II.

NOTE.—There is no R. S. S. S. Organisation in the province of Coorg.

Monday
9th August, 1948

CONSTITUENT ASSEMBLY OF INDIA

(LEGISLATIVE) DEBATES

(PART II—PROCEEDINGS OTHER THAN QUESTIONS AND ANSWERS)

Official Report

Volume VI, 1948

(9th August to 31st August, 1948)

THIRD SESSION

OF THE

CONSTITUENT ASSEMBLY OF INDIA
(LEGISLATIVE)

1948

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CORRIGENDA

In the Constituent Assembly of India (Legislative) Debates (Part II—Proceedings other than Questions and Answers), August-September Session, 1948 :—

In Volume VI,—

1. No. 1, dated the 9th August, 1948,—

(i) Page 9, *for* existing line 18, *read* "member who has dissented. I am sorry that the Select Committee Report has";

(ii) Page 15, *for* existing line 15, *read* "**Mr. S. K. Sidhva** : I have put a dissenting note and I have signed it. So, ";

2. No. 2, dated the 10th August, 1948,—

(i) Page 89, *for* existing line 19, *read* "(*Interruptions*)" ;

(ii) Page 156, *insert* in column (1) as Serial No. 2 " 2. No. 28/AGH, date the 17th January, 1948." and in column (2) before the words " a party" *insert* "On the 20th December, 1947, the Tahsildar of Madhira together with".

3. No. 3, dated the 11th August, 1948,—

(i) पृष्ठ १७२, पंक्ति १७, " हूं के स्थान पर " हूँ ' पढ़ें ।

(ii) पृष्ठ १७४, पंक्ति ९ " लो " के स्थान पर " लोग ' पढ़ें ।

(iii) Page 205, line 7 from bottom, *after* "Prof. Ranga" *insert* " is " ;

(iv) पृष्ठ २११, [हिन्दी विभाग] पंक्ति २, " मैं " के स्थान पर " में " पढ़ें ।

(v) पृष्ठ २१४, पंक्ति ३, " मैं " के स्थान पर " म " पढ़ें ।

(vi) पृष्ठ २१५, पंक्ति २, "मने", "सामन", "दिय" तथा " हु " के स्थान पर क्रमशः "मैं ने", "सामने", "दिये" तथा "हूँ" पढ़ें ।

4. No. 4, dated the 12th August, 1948,—

(i) Page 218, line 17 from bottom, *before* " EXTERNAL " *insert* "MINISTRY OF" ;

(ii) Page 231, *for* existing line 9 from bottom, *read* "*The Assembly re-assembled after Lunch at Half Past Two of the Clock, Mr.* " ;

(iii) Page 237, line 13, *for* "stories" *read* "stores", in line 30, *for* "Karchi" *read* "Karachi", and *omit* line 31 ;

(iv) Page 248, line 4; *for* "R80 millions" *read* " 280 millions";

5. No. 5, dated the 13th August, 1948,—

Page 302, *for* existing line 3, *read* "and delicate, we will be failing in our duty if at the same time we do not" ;

6. No. 6, dated the 16th August, 1948,—

(i) Page 324, *for* existing line 13, *read* "Central taxation. Once a Board comes into existence there is no question of" ;

(ii) पृष्ठ ३३४, [हिन्दी विभाग] पंक्ति ५, "(Industuies)" के स्थान पर "(Industries)" पढ़ें ।

(iii) पृष्ठ ३३५, पंक्ति २३, "दूसरोक" के स्थान पर "दूसरी" पढ़ें ।

(iv) Page 336, line 21, *for* "persuaded" *read* "pursued" ;

(v) पृष्ठ ३३७, नीचे से पंक्ति २, "काल्ज" के स्थान पर "क्लाज़" पढ़ें ।

7. No. 7, dated the 17th August, 1948,—

(i) Page 380, line 16, *between* "lot" and "rivalry" *insert* "of" ;

(ii) Page 386, line 18 from bottom, *insert* "this" at the end, and in line 16 from bottom, *insert* "such" at the end ;

(iii) Page 397, line 16, *for* "product" *read* "produced" ;

(iv) पृष्ठ ३९६, अन्तिम पंक्ति, "हव" के स्थान पर "वह" पढ़ें ।

8. No. 8, dated the 18th August, 1948,—

(i) Page 408, *omit* line 3 ;

(ii) Page 431, line 18, *for* "India sh be" *read* "India shall be" ;

9. No. 9, dated the 20th August, 1948,—

(i) Page 448, line 7, *for* "country" *read* "contrary" ;

(ii) Page 454, line 25 from bottom, *for* "certien" *read* "; certain;

(iii) Page 458, *for* existing line 10, *read* "The words are:" ;

(iv) Page 468, line 22 from bottom, *for* "does" *read* "do" ;

(v) Page 472, line 10, *insert* "according" *before* "States" ;

(vi) Page 474, *for* existing line 6 from bottom, *read* "*At this stage Mr. Speaker vacated the Chair, which was then occupied*" ;

10. No. 10, dated the 23rd August, 1948,—

(i) Page 505, line 1, *for* "persual" *read* "perusal" ;

(ii) पृष्ठ ५०८, पंक्ति ३६, "सकत" के स्थान पर "सकते" पढ़ें ।

पंक्ति ३९, "विस्तूत", "लिय", "क" तथा "लिय" के स्थान पर क्रमशः "विस्तृत", "लिये", "के" तथा "लिये" पढ़ें

पंक्ति ४०, "आ" के स्थान पर "हुआ" पढ़ें

"ह" के स्थान पर "है" पढ़ें

"मालम" के स्थान पर "मालूम" पढ़ें।

(iii) पृष्ठ ५०९, पंक्ति १, "महीने" के स्थान पर "महीनों" पढ़ें

पंक्ति २, "ह" और "थोड़" के स्थान पर क्रमशः "है" और "थोड़े" पढ़ें

पंक्ति ४, "लिय" के स्थान पर "लिये" पढ़ें।

पंक्ति १७, "उसका" के स्थान पर "उनका" पढ़ें

अन्तिम पंक्ति में "कहगे" के स्थान पर "कहेंगे" पढ़ें।

(iv) पृष्ट ५१०, पंक्ति २५, "हमार" के स्थान पर "हमारे" पढ़ें।

(v) पृष्ट ५११, पंक्ति १, "वहां" के स्थान पर "यहां" पढ़ें

पंक्ति १०, "यह" के स्थान पर "इन" पढ़ें।

पंक्ति ११, "कहगे" के स्थान पर "कहेंगे" पढ़ें।

पंक्ति १६, "वहां" तथा "क" के स्थान पर क्रमशः "यहां" और "एक" पढ़ें।

पंक्ति २४, "पर" के स्थान "पर" "में" पढ़ें।

(vi) पृष्ठ ५१२, पंक्ति २९, "जल" के स्थान पर "जेल" पढ़ें।

पंक्ति ३३, "गा" के स्थान पर "होगा" पढ़ें।

11. No. 11, dated the 24th August, 1948,—

(i) पृष्ठ ५६१, पंक्ति १, "बात" तथा "थी" के मध्यस्थ "हुई" पढ़ें।

पंक्ति २, "स" के स्थान पर "से" पढ़ें।

पंक्ति ३ और ६, "अधीन" के स्थान पर "आधीन" पढ़ें।

(ii) पृष्ट ५६३, पंक्ति १३, "करेंग" के स्थान पर "करेंगे" पढ़ें।

12. No. 12, dated the 25th August, 1948,—

(i) पृष्ठ ५९१, [हिन्दी विभाग] पंक्ति ९, "का" के स्थान पर "को" पढ़ें

पंक्ति १०, "पुलिश" के स्थान पर "पुलिस" पढ़ें।

पंक्ति १२, "होगा" के स्थान पर "होगी" पढ़ें।

पंक्ति १४, "मौजूद" के स्थान पर "मौजूदा" पढ़ें।

पंक्ति १८, "यह" के स्थान पर "यहां" पढ़ें।

(ii) Page 597, line 22 from bottom, *for* "superstitions" *read* "superstitious", and line 17 from bottom, *for* "marrige" *read* "marriage";

(iii) पृष्ठ ६०१, नीचे से पंक्ति ५, "जिसके" के स्थान पर "जिनके" पढ़ें।

(iv) पृष्ठ ६०२, पंक्ति १ और ३, "तन्दुरस्ती" के स्थान पर "तन्दरुस्ती" पढ़ें।

पंक्ति ६, "अैसी" के स्थान पर "ऐसी" पढ़ें।

पंक्ति ८ "मेंवृ बृद्धि" के स्थान पर "में बृद्धि" पढ़ें।

(v) صفحہ ۶۰۸ — سطر ۹ - لفظ "ھم" کو کاٹ دیں -

(vi) Page 618, *for* existing line 10 from bottom, *read* "**Mr. R. K. Sidhva** (C. P. and Berar : General) : Madam, I beg to move for", and in line 5 from, bottom *for* "Amendnents" *read* "Amendment" ;

13. No. 13, dated the 26th August, 1948,—

(i) Page 633 *for* existing line 4 from bottom, *read* "*The Assembly re-assembled after Lunch at Half Past Two of the Clock*" ;

(ii) Page 651, line 18, *for* "5 P. M." *read* "5 A. M."

14. No. 14, dated the 28th August, 1948,—

(i) Page 696, *for* existing line 5 from bottom, *read* as follows :

Prof. N. G. Ranga : Question !

Mr. Nasiruddin Ahmad : Love and affection will excuse such faults.

(ii) Page 700, line 1[illegible], *insert* "also" in the beginning ;

15. No. 15, dated the 30th August, 1948,—

(i) صفحہ ۷۱۵ - سطر ۸ - "اچھی" اور "جوے" کے درمیان "طرح دیکھ سکتے ھیں" پڑھیں -

(ii) صفحہ ۷۱۶ - نیچے سے سطر ۳ . "[illegible]" کے بجائے "کا نہ" پڑھیں -

(iii) صفحہ ۷۱۷ - سطر ۳ - "اکثر" کے بجائے "اس" پڑھیں -

(iv) Page 759, line 25 from bottom, *for* "that the attempt" *read* "that the first attempt" ;

(v) Page 762, *after* line 26, *insert* "Act, 1947 (Second amendment) be taken into consideration ", and *omit* line 2 from bottom ;

16. No. 16, dated the 31st August, 1948,—

(i) पृष्ठ ७८६, पैरा २, पंक्ति १ और ८ "म" के स्थान पर "में" पढ़ें।

(ii) पृष्ठ ७८८, [हिन्दी विभाग] पंक्ति ३, "म" के स्थान पर "में" पढ़ें।
पंक्ति ५, "पुस्कालय" के स्थान पर "पुस्तकालय" पढ़ें।

(iii) पृष्ठ ७९२, [हिन्दी विभाग] पंक्ति ४, "चल" के स्थान पर "चले" पढ़ें।
पंक्ति ६ "सकार" के स्थान पर "सरकार" पढ़ें।
पंक्ति १४, "खब" के स्थान पर "खूब" पढ़ें।

(iv) पृष्ठ ७९४, पंक्ति २, "नेनशल" के स्थान पर "नेशनल" पढ़ें।

(v) صفحہ ۷۹۶ - نیچے سے سطر ۴ - ''نے'' کے بجائے ''نہ'' پڑھیں -

(vi) Page 803, line 22, *for* "then" *read* "them";

In Volume VII,—

17. No. 1, dated the 1st September, 1948,—

(i) पृष्ठ ८३५, [हिन्दी विभाग], पंक्ति १२, "पकिस्थिति" के स्थान पर "परिस्थिति" पढ़ें।

(ii) पृष्ठ ८३६, पंक्ति २, "हमार" के स्थान पर "हमारे" पढ़ें।

(iii) Page 841, *between* lines 3 and 2 from bottom, *insert* "Territorial Force shall not vacate the seat of any member returned to serve in any Legis-" ;

(iv) Page 849, *omit* line 1 ;

18. No. 2, dated the 2nd September, 1948,—

(i) Page 872, line 10 from bottom, *for* "Mr. A. P. Portani" *read* "Mr. A. P. Pattani" ;

(ii) पृष्ठ ८९८, पंक्ति ५, "म" के स्थान पर "में" पढ़ें।
पंक्ति ५, "पेस" के स्थान पर "पेंस" पढ़ें।
पेरा २, पंक्ति १, २, ३ और ४ में "क" "न" "स" "ह" के स्थान पर क्रमशः "के", "ने", "से" और "है" पढ़ें।
पेरा ३, पंक्ति २, "बनान" के स्थान पर "बनाने" पढ़े।
पंक्ति ५, "हमार" के स्थान पर "हमारे" पढ़ें।
अन्तिम पंक्ति, "चाहुत" के स्थान पर "चाहते" पढ़ें।

(iii) पृष्ठ ८९९, पंक्ति ११, "क" तथा "म" के स्थान पर "के" और "में" पढ़ें।

पंक्ति १५, "हमशा" के स्थान पर "हमेशा" पढ़ें।

पंक्ति २३ "मुझ" के स्थान पर "मुझे" पढ़ें।

अन्तिम पंक्ति, "देख" के स्थान पर "देखे" पढ़ें।

(iv) पृष्ठ ९१० अंतिम पंक्ति, "कषि" के स्थान पर "कृषि" पढ़ें।

19. No. 3, dated the 3rd September, 1948,—

(i) पृष्ठ ९६१, पंक्ति ३, "पये" के स्थान पर "रुपये" पढ़ें।

पंक्ति ४, "ांच" के स्थान पर "पांच" पढ़ें।

पंक्ति १४, "मल्क" के स्थान पर "मुल्क" पढ़ें।

पंक्ति १७, "मालूस" के स्थान पर "मालूम" पढ़ें।

पंक्ति २१, "से" के स्थान पर "में" पढ़ें।

पंक्ति २५, "स्टे" के स्थान पर "स्टेट" पढ़ें।

(ii) पृष्ठ ९६२, पंक्ति १ तथा ४, "म" के स्थान पर "मैं" पढ़ें।

पंक्ति २, "ग्मिटा" के स्थान पर "ग्मिट" पढ़ें।

20. No. 4, dated the 4th September, 1948.—

(i) Page 1004, line 13 from bottom, *insert* "has" in the beginning ;

(ii) صفحہ ۱۰۱۷ - آخری سطر میں ''ساری'' اور ''کچھ'' کے درمیان ''یا'' پڑھیں -

(iii) Page 1018, line 3 of English portion, *for* "be" *read* "by" ;

(vi) صفحہ ۱۰۲۰ - سطر ۲۱ - ''قیمت'' کے بعد الفاظ ''جو سب'' کاٹ دیویں -

(v) पृष्ठ १०२३, पंक्ति ३, "वाचस्तति" के स्थान पर "वाचस्पति" पढ़ें।

(vi) पृष्ठ १०२४, नीचे से पंक्ति ३ और ४, "devise" के स्थान पर "device" पढ़ें।

(vii) Page 1027, lines 6 and 7 from bottom, *for* "was moved" *read* "must move" ;

(viii) Page 1028, line 15 from bottom, *for* "pie" *read* "pice" ;

(ix) Page 1030, line 12 from bottom, *for* "fishion" *read* "fashion" ;

(x) Page 1038, line 24 *for* "geneal" *read* "general" ;

21. No. 5, dated the 6th September, 1948,—

(i) पृष्ठ १०६२, पंक्ति १, "परा" के स्थान पर "पूरा" पढ़ें।

(ii) पृष्ठ १०६४, पंक्ति ३, "displaced" के स्थान पर "displace" पढ़ें।

अंतिम पंक्ति, प्रथम शब्द "हैं" पढ़ें।

(iii) पृष्ठ १०६५, पंक्ति २, "कि" तथा "हमारा" के मध्यस्थ शब्द "कि" को काट देवें ।

(iv) صفحہ ۱۰۹۵ نوچے سے سطر ۳ - "دلالے" کے پہلے الفاظ "اس بل کو اس شکل میں" پڑھیں -

(v) صفحہ ۱۱۰۷ - آخری سطر - "دونوں" کے بعد اور "مطالبہ" سے پہلے "کیلئے یکجا" پڑھیں -

22. No. 6, dated the 7th September, 1948,—

(i) Page 1127, line 29, *for* "no" *read* "not" ;

(ii) Page 1132, line 13, *for* "oversvance" *read* "observance" and in lines 9 and 1 from bottom, *for* "States" *read* "State" ;

(iii) Page 1136, line 1, *for* "wishes m :o" *read* "wishes me to" ; and

(iv) Page 1146, *transpose* lines 8 and 9.

GIPD—H S—122 LAD—23-9-49—780

DOMINION LEGISLATURE

CONSTITUENT ASSEMBLY OF INDIA (LEGISLATIVE)

The Speaker

The Honourable Mr. G. V. Mavalankar.

The Deputy Speaker

Shri M. Ananthasayanam Ayyangar, M. C. A.

Panel of Chairmen

Mr. Hossain Imam, M. C. A.

Pandit Thakur Das Bhargava, M. C. A.

Shri K. Santhanam, M. C. A.

Shrimati Ammu Swaminadhan, M. C. A.

Secretary

Mr. M. N. Kaul, Barrister-at-Law.

Assistants of the Secretary

Mr. A. J. M. Atkinson.

Mr. N. C. Nandi.

Mr. C. V. Narayana Rao.

Committee on Petitions

Mr. Hossain Imam, M. C. A.

Shri K. Santhanam, M. C. A.

Mr. R. K. Sidhva, M. C. A.

Shrimati Dakshayani Velayudhan, M. C. A.

Shri B. Das, M. C. A.

GOVERNMENT OF INDIA

MEMBERS OF THE CABINET

The Honourable Pandit Jawaharlal Nehru—Prime Minister and Minister for External Affairs and Commonwealth Relations.

The Honourable Sardar Vallabhbhai J. Patel—Deputy Prime Minister and Minister for Home, Information Broadcasting and the States.

The Honourable Maulana Abul Kalam Azad—Minister for Education.

The Honourable Dr. John Matthai—Minister for Railways and Transport.

The Honourable Sardar Baldev Singh—Minister for Defence.

The Honourable Shri Jagjivan Ram—Minister for Labour.

The Honourable Mr. Rafi Ahmed Kidwai—Minister for Communications.

The Honouarble Rajkumari Amrit Kaur—Minister for Health.

The Honourable Dr. B. R. Ambedkar—Minister for Law.

The Honourable Mr. R. K. Shanmukham Chetty—Minister for Finance.

The Honourable Dr. Syama Prasad Mookerjee—Minister for Industry and Supply.

The Honourable Shri N. V. Gadgil—Minister for Works, Mines and Power.

The Honourable Shri K. C. Neogy—Minister for Commerce.

The Honourable Shri N. Gopalaswami Ayyangar—Minister without Portfolio.

The Honouarble Shri Jairamdas Doulatram—Minister for Food and Agriculture.

MINISTER NOT IN THE CABINET

The Honourable Shri Mohan Lal Saksena—Minister for Relief and Rehabilitation.

THE

CONSTITUENT ASSEMBLY OF INDIA (LEGISLATIVE) DEBATES

OFFICIAL REPORT OF THE THIRD SESSION OF THE CONSTITUENT ASSEMBLY (LEGISLATIVE)

Volume VI—1948

CONSTITUENT ASSEMBLY OF INDIA (LEGISLATIVE) DEBATES

(PART II—PROCEEDINGS OTHER THAN QUESTIONS AND ANSWERS)

Monday, 9th August, 1948

The Assembly met in the Assembly Chamber of the Council House at New Delhi, at a Quarter to Eleven of the Clock, being the first day of the Third Session of the Constituent Assembly of India (Legislative), pursuant to sub-section (2) (a) of Section 19 of the Government of India Act, 1935, as adapted by the India (Provisional Constitution) Orders, 1947. Mr. Speaker (The Honourable Mr. G. V. Mavalankar) was in the Chair.

QUESTIONS AND ANSWERS

(*See* Part I)

11-45 A.M.

DEATH OF MR. DAMBER SINGH GURUNG

Mr. Speaker: Before we proceed further, I have to refer to the sad demise of one of our colleagues in this Assembly, Mr. Damber Singh Gurung. He was the only Gurkha member of this Assembly and the part he played in the battle for Indian independence is well known. I request the House to stand in silence to respect the memory of the deceased.

Mr. Speaker: About the adjournment motion, it is not going to be moved, I understand.

Shri M. V. Kamath (C. P. and Berar: General): I do not propose to move it.

GOVERNOR GENERAL'S ASSENT TO BILLS

Mr. Speaker: The Secretary will lay on the table of the House a statement showing the Bills which were passed by the Dominion Legislature—Constituent Assembly of India (Legislative)—during the Budget Session 1948 and which have been assented to by His Excellency the Governor General.

Secretary of the Assembly: Sir, I lay on the table a statement showing the Bills which were passed by the Dominion Legislature—Constituent Assembly of India (Legislative)—during the Budget Session 1948 and which have been assented to by His Excellency the Governor General.

Statement

(1) The Code of Civil Procedure (Amendment) Act, 1948.
(2) The Cotton Textiles Cess Act, 1948.
(3) The Pharmacy Act, 1948.
(4) The Dock Workers (Regulation of Employment) Act, 1948.
(5) The Insurance (Amendment) Act, 1948.
(6) The Minimum Wages Act, 1948.
(7) The Rehabilitation Finance Administration Act, 1948.
(8) The Railways (Transport of Goods) (Amendment) Act, 1948.
(9) The Damodar Valley Corporation Act, 1948.
(10) The Industrial Finance Corporation Act, 1948.
(11) The Dentists Act, 1948.
(12) The Indian Army and the Indian Air Force (Amendment) Act, 1948.
(13) The Protective Duties Continuation Act, 1948.
(14) The Indian Tea Control (Amendment) Act, 1948.
(15) The Indian Finance Act, 1948.
(16) The Indian Railways (Amendment) Act, 1948.
(17) The Indian Power Alcohol Act, 1948.
(18) The Taxation on Income (Investigation Commission) (Amendment) Act, 1948.
(19) The Indian Aircraft (Amendment) Act, 1948.
(20) The Provincial Insolvency (Amendment) Act, 1948.
(21) The Junagadh Administration (Property) Act, 1948.
(22) The Control of Shipping (Amendment) Act, 1948.
(23) The Delhi and Ajmer-Merwara Rent Control (Amendment) Act, 1948.
(24) The Atomic Energy Act, 1948.
(25) The Indian Lac Cess (Amendment) Act, 1948.
(26) The National Cadet Corps Act, 1948.
(27) The Road Transport Corporations Act, 1948.
(28) The Calcutta Port (Pilotage) Act, 1948.
(29) The Employees' State Insurance Act, 1948.

PAPERS LAID ON THE TABLE

REPORT OF INDIA DELEGATION TO FIFTH SESSION OF ECONOMIC AND SOCIAL COUNCIL OF UNITED NATIONS

The Honourable Pandit Jawaharlal Nehru (Prime Minister and Minister for External Affairs and Commonwealth Relations): Sir, I beg to lay on the table the Report† of the India Delegation to the Fifth Session of the Economic and Social Council of the United Nations, 1947.

†Not printed in the day's Debates. Copies placed in the Library of the House.—*Ed. of D.*

SUMMARY OF WORK DONE BY GEOLOGICAL SURVEY OF INDIA DURING PAST FIVE YEARS

The Honourable Shri N. V. Gadgil (Minister for Works, Mines and Power): Sir, I beg to lay on the table the Summary† of the Work done by the Geological Survey of India during the past five years.

WHITE PAPER ON STERLING BALANCES NEGOTIATIONS

The Honourable Shri R. K. Shanmukham Chetty (Minister for Finance): Sir, I lay on the table the White Paper† containing the documents relating to the recent Sterling Balances Negotiations with the United Kingdom.

I might inform honourable members that it is my intention to move on the 12th instant for a supplementary vote for the payment of the amount involved in these negotiations, and it is the intention of the Government that a discussion on the negotiations should take place in connection with that vote.

An Honourable Member: Will it be circulated to us?

The Honourable Shri R. K. Shanmukham Chetty: The documents are printed and will be circulated to all honourable members.

ALLOTMENT OF A DAY FOR DISCUSSION ON HYDERABAD AND KASHMIR

Shri H. V. Kamath (C. P. and Berar: General): Before we proceed further, may I request the Leader of the House to allot a day for discussion of Hyderabad and Kashmir, in camera if need be?

The Honourable Pandit Jawaharlal Nehru (Prime Minister and Leader of the House): The Government are willing to accede to the wishes of the House; but it is not clear to me what the House will have to discuss for a full day on Kashmir and a full day on Hyderabad. If I may suggest, at some later stage in the session, certainly if the general policy governing these matters is to be discussed, we shall give some time for it. The desire to allot a day to each question separately shows that they are considered separately mentally. That is a wrong way of approach.

Shri H. V. Kamath: One full day for both.

Mr. Speaker: Whatever it is, the matter will be taken into consideration.

ELECTION TO STANDING COMMITTEE FOR MINISTRY OF EXTERNAL AFFAIRS AND COMMONWEALTH RELATIONS

The Honourable Pandit Jawaharlal Nehru (Prime Minister and Minister for External Affairs and Commonwealth Relations): Sir, I beg to move:

"That this Assembly do proceed to elect, in such manner as the Honourable the Speaker may direct, one member to serve until the end of the financial year 1948-49 on the Standing Committee to advise on subjects concerning the Ministry of External Affairs and Commonwealth Relations, vice Diwan Chaman Lall, who has resigned from the Assembly."

Mr. Speaker: The question is:

"That this Assembly do proceed to elect, in such manner as the Honourable the Speaker may direct, one member to serve until the end of the financial year 1948-49 on the Standing Committee to advise on subjects concerning the Ministry of External Affairs and Commonwealth Relations, vice Diwan Chaman Lall, who has resigned from the Assembly."

The motion was adopted.

†Not printed in the day's Debate. Copies placed in the Library of the House.—*Ed. of D.*

DIPLOMATIC AND CONSULAR OFFICERS (OATHS AND FEES) BILL

The Honourable Pandit Jawaharlal Nehru (Prime Minister and Minister for External Affairs and Commonwealth Relations): Sir, I beg to introduce the Bill to provide for the administration of oaths by diplomatic and consular officers and to prescribe the fees leviable in respect of certain of their official duties.

Sir, as a natural consequence of the independence of India, our consular officers have to perform these duties. There is nothing controversial about it and I trust that it will be passed when the time comes without any difficulty.

Mr. Speaker: Next Bill, further to amend the Indian Merchant Shipping Act.

An Honourable Member: You have not put the motion, Sir.

Mr. Speaker: The Bill has been published in the Gazette. This is not a motion for leave to introduce; it is introduction of the Bill.

INDIAN MERCHANT SHIPPING (AMENDMENT) BILL

The Honourable Pandit Jawaharlal Nehru (Prime Minister and Minister for External Affairs and Commonwealth Relations): Sir, I beg to introduce the Bill further to amend the Indian Merchant Shipping Act, 1923.

The House will be surprised that any Bill dealing with Indian Merchant Shipping should be introduced by me and not by the Honourable Minister for Commerce. As a matter of fact, this deals with Haj Pilgrimage for which I am supposed to be personally responsible. Up till now, there was a clause in this Act requiring a certificate of vaccination every three years. Now, it is proposed to increase that period to five years, according to certain international sanitary conventions. So, the whole Bill consists of an amendment that five years be substituted for three years in a particular clause.

CENSUS BILL

The Honourable Sardar Vallabhbhai Patel (Minister for Home, Information and Broadcasting and the States): Sir, I beg to introduce the Bill to provide for certain matters in connection with the taking of census.

CONTINUANCE OF LEGAL PROCEEDINGS BILL

The Honourable Dr. B. R. Ambedkar (Minister for Law): There seems to be some mistake in the agenda papers. I have to ask for the leave of the House first and then introduce the Bills.

Secretary of the Assembly: There is no mistake in the list of business. These Bills were published in the Gazette under Rule 18 of the Constituent Assembly (Legislative) Rules and as such no motions for leave to introduce the Bills are necessary.

The Honourable Dr. B. R. Ambedkar: I see.

Sir, I beg to introduce the Bill to provide for the continuance of certain legal proceedings by or against the Secretary of State.

INDIAN MATRIMONIAL CAUSES (WAR MARRIAGES) BILL

The Honourable Dr. B. R. Ambedkar (Minister for Law): Sir, I beg to introduce the Bill to confer upon Courts temporary jurisdiction in certain matrimonial causes.

INDIAN REGISTRATION (AMENDMENT) BILL

The Honourable Dr. B. R. Ambedkar (Minister for Law): Sir, I beg to introduce the Bill further to amend the Indian Registration Act, 1908.

DISPLACED PERSONS (INSTITUTION OF SUITS) BILL

The Honourable Dr. B. R. Ambedkar (Minister for Law): Sir, I move for leave to introduce a Bill to make certain special provisions for the institution of suits by displaced persons.

Mr. Speaker: The question is:

"That leave be granted to introduce a Bill to make certain special provisions for the institution of suits by displaced persons."

The motion was adopted.

The Honourable Dr. B. R. Ambedkar: Sir, I introduce the Bill.

TAXATION ON INCOME (INVESTIGATION COMMISSION) (SECOND AMENDMENT) BILL

The Honourable Shri R. K. Shanmukham Chetty (Minister for Finance): Sir, I move for leave to introduce a Bill further to amend the Taxation on Income (Investigation Commission) Act, 1947.

Mr. Speaker: The question is:

"That leave be granted to introduce a Bill further to amend the Taxation on Income (Investigation Commission) Act, 1947."

The motion was adopted.

The Honourable Shri R. K. Shanmukham Chetty: Sir, I introduce the Bill.

RESERVE BANK (TRANSFER TO PUBLIC OWNERSHIP) BILL

The Honourable Shri R. K. Shanmukham Chetty (Minister for Finance): Sir, I move for leave to introduce a Bill to bring the share capital of the Reserve Bank of India into public ownership and to make consequential amendments in the Reserve Bank of India Act, 1934.

Mr. Speaker: The question is:

"That leave be granted to introduce a Bill to bring the share capital of the Reserve Bank of India into public ownership and to make consequential amendments in the Reserve Bank of India Act, 1934."

The motion was adopted.

The Honourable Shri R. K. Shanmukham Chetty: Sir, I introduce the Bill.

GANDHI NATIONAL MEMORIAL FUND DONATIONS (COMPANIES) BILL

The Honourable Shri K. C. Neogy (Minister for Commerce): Sir, I move for leave to introduce a Bill to enable companies to make donations to the Gandhi National Memorial Fund.

Mr. Speaker: The question is:

"That leave be granted to introduce a Bill to enable companies to make donations to the Gandhi National Memorial Fund."

The motion was adopted.

The Honourable Shri K. C. Neogy: Sir, I introduce the Bill.

ESTATE DUTY BILL

PRESENTATION OF PRELIMINARY REPORT OF SELECT COMMITTEE

The Honourable Shri R. K. Shanmukham Chetty (Minister for Finance): Sir, I beg to present the Preliminary Report of the Select Committee on the Bill to provide for the levy and collection of an estate duty in the provinces of India.

EXTENTION OF TIME FOR PRESENTATION OF REPORT OF SELECT COMMITTEE

The Honourable Shri R. K. Shanmukham Chetty (Minister for Finance): In presenting the above Report I also beg to move:

"That the time appointed for the presentation of the Report of the Select Committee on the Bill to provide for the levy and collection of an estate duty in the provinces of India, be extended upto the last day of the first week of the next Budget Session of the Assembly."

The Interim Report of the Committee that I have just now presented to the
12Noon House will contain the reasons for my moving the motion that the date granted for the presentation of the report be extended up to the last day of the first week of the next Budget Session of the Assembly.

When the Select Committee started consideration of the measure it was found that some of the anticipations that were entertained regarding this measure had not been fulfilled. Honourable members might remember that on the discussion of my motion for the reference of this Bill to the Select Committee, various honourable members referred to the difficulties in the application of the provisions of the Estate Duty in the context of the Mitakshara Law of Inheritance prevailing in certain parts of India. Government expected that the Hindu Code Bill introduced by the Honourable the Law Minister, if adopted by this House, would solve one of the main difficulties encountered in the applioatious of an estate duty to a joint undivided Hindu family. When the Select Committee met we found that the Hindu Code Bill had not yet been adopted by this House and it was felt that after knowing the fate of this Hindu Code Amendment Bill, the Select Committee would be in a better position as to what exactly should be the provisions relating to the applications of an Estate Duty to an undivided Hindu family. Apart from this, it was brought to my notice that this Bill does not apply to agricultural land which is within the jurisdiction of the Provincial Governments. If an Estate Duty is to be applied to properties excluding agricultural land, it will create a great deal of anomaly, if not a great deal of hardship. There is one other factor also to be taken into consideration. As the Constitution stands at present, the provisions of the Estate Duty Bill will not be applicable to Indian States. A possible consequence of this might be the flow of capital from the Provinces of India to the Indian States. That would be a very undesirable feature. It has therefore been decided that the Government should immediately address the Provincial Governments with a view to getting their consent to enable the Central Government to bring within the purview of this Bill all agricultural land situated in the provinces. It is also my intention to move the Ministry of States to persuade as many of the States as possible to take the necessary steps so as to enable the application of this Bill to properties situated in Indian States also.

For these reasons the Select Committee thought that it would be advisable to postpone the detailed consideration of the Bill and ask for the permission of the House for a postponement of the date for the presentation of the final report. It might be urged that all these considerations to which I have made reference are not new factors that have cropped up, but must have been in the minds of Government even when I moved the motion for reference of

this measure to the Select Committee. I must certainly confess that these factors were in my mind but I thought when I introduced this measure in this House that we should keep alive in the country the interest in a measure like the Estates Duty Bill, and for that purpose I thought the quickest way of achieving our objective would be to introduce a measure of this kind in the Legislature and simultaneously take the necessary steps to get the concurrence of the Provinces and also to persuade the States to come into line with us. I am sure the House will agree with me that a measure of this kind has very far-reaching implications and we should not hurry up with such a measure. I therefore suggest, Sir, that the House might agree to the motion for postponement of the date for the final presentation of the report of the Select Committee.

Mr. Speaker: Motion moved:

"That the time appointed for the presentation of the Report of the Select Committee on the Bill to provide for the levy and collection of an estate duty in the provinces of India, be extended upto the last day of the first week of the next Budget Session of the Assembly."

Shri B. Shiva Rao (Madras: General): Sir, one is under a certain handicap in not having the Interim Report placed on the table of the House by the Honourable the Finance Minister, but the reasons that he has urged for postponing further consideration of the Bill to the next Session do not seem to me to be particularly convincing. If you look at the Estate Duties Bill as placed before the Select Committee, you will find that there is only one reference to the Mitakshara school in that Bill and this is in Clause 6. I will read to the House the clause to which I have just referred:

"Interests ceasing on death.—Property in which the deceased or any other person had an interest ceasing on the deceased's death shall be deemed to pass on his death to the extent to which a benefit accrues or arises by the cesser of such interest,—

(and I want the House to note the following words):

including, in particular, a coparcenary interest in the joint family property of a Hindu family governed by the Mitakshara school of law, but exclusive of property in which the deceased or other person had an interest only as holder of an office or recipient of the benefits of a charity or as a corporation sole."

The words ". . . including, in particular, a coparcenary interest in the joint family property of a Hindu family governed by the Mitakshara school of law" which occur in Clause 6 are strictly speaking redundant, because property passing by survivorship is covered by the preceding general words of the clause. The words which I have repeated before the House can easily be omitted, in which case the Estate Duties Bill would be quite independent of the Hindu Law Code and even if they are retained for the present, I think all that would be necessary is to omit them if and when the Mitakshara school is replaced by the Dayabagha.

There is no other reference to the Mitakshara school in the body of the Bill. There is a reference to it in the note on clause 80 on page 27. In that note one of the items suggested for exemption is interest in ancestral property passing on the death of a minor coparcener in a Mitakshara joint family who has a male ascendant living. It will be noticed that the exemption is to be made by a notification under clause 80 after the Bill is passed. Therefore, if at the time the Bill is passed the Mitakshara school is still in existence, the proposed exemption could be made if and when the school is abolished by subsequent legislation. Then the exemption can be withdrawn and therefore it seems to me that so far as the present Bill, is concerned, it is immaterial whether the Mitakshara school is or is not in existence.

The Finance Minister also referred to two other considerations which seem to be operative so far as he and the members of the Select Committee are concerned. I do not know whether he is confident of securing the consent of

[Shri B. Shiva Rao]

the Provinces and the States by the time the Select Committee is convened, again. I cannot help expressing the fear that if this course is adopted, the Bill will be postponed, not to the next Session of the Assembly, but indefinitely.

Shri K. Santhanam (Madras: General): It is certainly regrettable that the Bill should have been postponed but there was no alternative. I am not particularly impressed by the reasons given by the Honourable the Finance Minister but one conclusive fact which weighed with the Select Committee was that the Finance Ministry was not ready for the consideration of the Bill. It had to be ready but somehow for some reason or other it was not ready and unless it was ready there was no purpose in proceeding with the Bill.

Mr. Shiva Rao pointed out the implications about the Hindu joint family. The mere exclusion of that clause will not solve the problem, because so long as the joint Hindu family is there the problem will be there too but it was a matter to be considered by the Select Committee. I do not think any consideration by an outside body will solve the matter in any particular manner. It is essential that this measure should be passed at an early date so as to supplement the finances of the provincial governments and I earnestly hope that there will not be any occasion to come before this House for a further postponement.

Secondly, in a federal system this difficulty about the position of the provincial units will always be there for one reason or another. This was so in the Income-tax legislation. Agricultural land is not subject to income-tax yet I think the Central Government has succeeded very well in establishing a system of income-tax and proceeding with it. And there is also a further consideration *viz.*, that agricultural land, whatever you may do, will be a separate category. For instance, there will have to be fragmentation of holdings. Therefore, even if agricultural land is brought within the purview of the central legislature, so far as fragmentation is concerned the provincial legislatures will have to be given power to supersede all succession laws. Similarly in the matter of alienation. Absentee landlordism will have to be abolished. That will require prevention of succession to absentee landlords. Therefore in either case this problem of agricultural land will remain as a problem, whatever constitutional arrangements may be made. So we must take the situation as it is and solve all problems as best we can and not try to complicate them further by adducing one thing or another as reason for postponing the measure. The Estates Duty stands more or less, so far as constitutional and other considerations are concerned, on a par with income-tax and all the limitations which are there in the income-tax act must be accepted by the legislature in the Estate Duty Bill also. Therefore I plead that early steps should be taken to have the measure considered and the Bill placed before this House.

Mr. B. K. Sidhva (C. P. and Berar: General): Sir, I am not satisfied with the arguments advanced by the Honourable the Finance Minister for a long postponement of this Bill. The points that he has raised, as he admitted himself, were already before the House when he introduced the Bill. When the Select Committee met on the 2nd of this month it was surprising that the Honourable Minister was not prepared to proceed with the Bill. If the provisions of the Bill had not been studied or throughly looked into by him or his Ministry I must say that it does no credit to his ministry. Four months have passed since this Bill was introduced and this was a sufficient period for the ministry to put themselves in communication with the provincial governments in regard to the requirements that they wanted to be fulfilled. But for four months the ministry did nothing of the kind and members of the Committee are called here only to waste public money and go home.

As far as the agricultural question is concerned my friend Mr. Santhanam has dealt with it very ably. I do not want to dilate on this point. This question will always remain there and similarly the question of the Hindu Code as well. I understand (I am speaking subject to correction) that part of the question has been discussed by the Select Committee and the report is going to be presented to the House. Whatever it may be, even if the report is not going to be presented in this House, today we are taxing the Hindu joint family under the Income-Tax Act and if there are some contentious matters in this Bill it is for that purpose that it was sent to the Select Committee. All the points which the Honourable Minister has brought out may have been placed before the Select Committee. The Select Committee was meant for that purpose. All these four points that he has raised could have been brought before the Select Committee and the members should have been given an opportunity to discuss and give their opinions. Somehow for the reason best known to himself there was no programme to proceed with the Bill. Of course he had the support of the majority of the members of the Select Committee. I do not dispute that. I am a member of the Committee and I am the only

Shri M. Ananthasayanam Ayyangar: Therefore, more than the honourable not been presented. I signed it this morning at 10-45 A.M. It would be only fair that this report should have been in the hands of the members and they would have studied it and given their views on the matter. It is really regrettable that this Bill which was introduced two years ago met with a similar fate. Again it was brought and we are asked to postpone it. I could have understood a postponement at the end of this session. If the Finance Minister wanted a clarification of the Hindu Code by that time he would have known it and the period could have been extended up to the end of this month. Why go up to the end of the next Budget session? We might meet again in October or November. I do not know whether we will be able to finish all the business before us in this session. We might have to meet again in October or November. Why is this long adjournment wanted? If the Finance Minister had these points before him he should not have introduced the Bill. It looks very bad. I do not mind a little postponement. This Bill was welcomed on all sides of the House. I therefore feel that it is not proper that the Government have not studied the Bill. the Finance Ministry has not studied the Bill, it should be postponed indefinitely. In the Select Committee we would have been given an opportunity to study and discuss this matter and then after fair deliberations the Select Committee report could have been brought before this House. Although this is a majority report I was the single member who dissented. I think it my duty to bring this matter to the notice of the House, because it is most improper that this Bill has been held over and the Select Committee has not been given an opportunity to consider the Bill and present a very acceptable report in this House. No doubt there are many points. There is a point about the Succession Act. That is also a matter for consideration. All these points were before the Select Committee for consideration. Today we are in the month of April. I am telling you that we will be again in the month of March next. I do not know whether on that occasion we shall be able to submit a report. I therefore feel that whatever my single voice may be I should protest against this kind of postponement.

Prof. N. G. Ranga (Madras: General): Mr. Speaker, Sir, I am afraid that the Finance Ministry has put a very poor show indeed in this matter. My honourable friend has said that he has not proceeded with the presentation of this Bill, not because he himself and his Ministry were not completely prepared with all the material, but because he wanted to keep the interest in this Bill. That is extraordinary because the interest in this Bill has been nearly five years old. Nearly five years ago when Sir James Grigg was here he put a poser to the Opposition at that time; we were all in the Opposition then and we accepted his challenge and asked him to introduce the Bill if

[Prof. N. G. Ranga]

he had the Bill up his sleeve. But for reasons best known to himself he did not proceed with that. Ever since, this problem has been before the public. The people knew that this thing was in the offing and that the Finance Ministry would be expected to introduce it at any time that might be considered convenient. Later on Sir Archibald Rowlands came forward with a Bill. That too met with the same fate. He did not give us any reasons. Then Mr. Liaquat Ali Khan introduced it, I think. He said he was going to impose this duty. We all welcomed it in that Budget session. But nothing has happened. Then came this Bill from Mr. Shanmukham Chettiar. What is the elementary duty of a Department, a Ministry, in a case like this? What is it that they had done earlier when a similar Bill of equal importance, like the Insurance Act (Amendment) Bill, was brought before this House? Even before the Bill was actually introduced here, conferences were held with the concerned interests; opinions were obtained from various companies as well as from the Provincial Governments; and then, fortified with all these things, the Government framed their Bill, came forward and placed it before this House, and thereafter it had taken its own due course. Similar procedure was taken in the case of the Indian Companies Act (Amendment) Bill. Then why is it that the Finance Ministry has not taken similar steps in regard to this? That is the first question.

Secondly, even after this Bill had been introduced in this House, what is it that had prevented the Finance Minister from calling these two conferences—may be at one and the same time—the conference with the Provincial Ministers and also the conference with the concerned Ministers of the Indian States and asking their views, ask for their co-operation, obtain their co-operation and go forward to the Select Committee with their definite proposals?

Shri B. Das (Orissa: General): It is not so easy.

Prof. N. G. Ranga: My honourable friend Mr. B. Das says it is not so easy in view of the fact that the Committee on which he had been a Member had not met—the Economy Committee. It was not easy for that Committee also to meet and transact work for several months. I do not wish to say anything about other Ministries at this juncture, but this Finance Ministry does not evidently seem to be taking its own tasks and responsibilities. That is what it appears to me.

Thirdly, I wish the Finance Minister had not given the reasons he has given for this postponement. Instead, if he had contented himself with the reasons —I do not know what the reasons are—that the Select Committee is supposed to have given for this postponement, it might have been better. He has mentioned the Hindu Code. How long it is going to take to be passed in this House? We know it has had a chequered career for a number of years. It is going to come from the Select Committee—we do not know whether it is going to come during this session. Anyhow, the Honourable Minister is not in charge of it. It is hanging on in suspended animation. Then, are we to understand that because of that the consideration of this Bill should be postponed?

Secondly, there is the question of the Indian States. Is it going to be such a simple thing after all? First of all he has to make them agree to this. Secondly there is the question of settlement with them as regards the sharing of the proceeds that would be collected in the States—whether all the proceeds should be handed over to them or a portion taken for Central revenues here and a portion given over to them. All these things have got to be thashed out. Is he quite sure that his almanac will hold good there? We do not know.

Thirdly, there are the provinces themselves. I quite agree with him in regard to one thing. That is that the Indian Provinces are to be taken hand in hand with the Central Government in regard to Estate Duties on landed

properties so that the incidence would be uniform on all kinds of properties. But could not the desired agreement have been achieved during the last four months? There is one relevant answer to this and that is that the Honourable Minister could not be in this country and had to be abroad. I quite see the difficulty. But what was his Ministry doing? That is what I wish to know. Does it mean that when the Minister is not here it would not be possible for him to leave instructions to his own Department and that there are not good enough or big enough officers in his Department to be able to call for a conference with Provincial Ministers and try to come to a provisional agreement at least and prepare the ground for the Honourable Minister to take the strings up? Evidently nothing has been done. I do not know whether the Honourable Minister had the authority of the Select Committee for the speech he has made and the reasons he has given. I do not know whether the reasons he has given are the reasons which the Select Committee have themselves given in their report. I owe an apology to the House. I am a Member of the Select Committee and I am very sorry I could not attend that Select Committee meeting. Therefore I hope the House will accept my unconditional apology for not having discharged my duty. At the same time it is up to the Finance Ministry also to make a clean breast of the matter and say "We have not done our duty; we have failed to do it".

Lastly, there is this additional danger. We have been dangling this before the public, "Oh, we are not a capitalist government or organization; we are really for the people; we are going to take these capitalists in hand and are going to deal with them as they deserve and see that some of these war-time made fortunes are disgorged to the extent that is possible by this Bill." What is it we find?—a kind of a prospect where there does not seem much chance of this Bill ever coming up before this House in the next few months, may be one, two or three years. And in the meanwhile, as we know our own people here, there will be any amount of efforts made by a number of ingenious people, aided by more ingenious lawyers and others to divide and sub-divide their profits, so that it might not be possible for my honourable friend the Finance Minister to collect half as much as he should have been able to, if only his Ministry had gone on with this Bill as expeditiously as could have been expected. Sir, I express my deep regret at the way these things have taken a turn.

Shri B. Das: Sir, I was a little wonder-struck at the speeches made by the last two socialist minded friends. Why my honourable friend Mr. Sidhva, who is now worshipping socialism in this country, is in such hurry I was not impressed. My friend Prof. Ranga's reasons I could not understand. He wanted that Government should have hustled this measure in the Honourable Minister's absence in U.S.A.—although my honourable friend failed to attend the Select Committee of which he was a member.

I welcome this motion. Unless the Governments in the Provinces and here have had time to examine their own position it is not possible to proceed further with this Bill. My honourable friend Prof. Ranga has already pointed out that this had a British start, that England wanted to take all the money that our capitalists and *zamindars* had in those times. Somehow they could not catch. Mr. Liaquat Ali Khan wanted to catch a portion of it—he could not do it.

But where are those estates which my honourable friend Mr. Shanmukham Chetty will catch two or three years hence? The Estates Duty Bill affects only the rich people of whom there are two classes: one the industrialists, the other the *zamindars*. By their conspiracy; the Labour Ministers of the Government of India and the Provincial Governments are creating a situation by which in a year or two there will be no industries left.

[Shri B. Das.]

much less thrive in a prosperous condition. So, there will be no industrialist who will pay the duty. As for the *zamindars*, the Revenue Ministers of all the Provincial Governments have conspired; they want to take up all the *zamindaris*, and I understand the Honourable the Finance Minister has agreed to give them loans for the purpose. I do not know where the Provincial Governments would find money to pay interest on those loans as purchase price of those *zamindaris*.

If the monied class, the *zamindars* and the industrialists are eliminated from this vast sub-continent, then what purpose will be served by the Estate Duty Bill? We would never get a thing examined in the proper atmosphere. It was always examined with the British arrogance which, of course, had the support of my honourable friend Prof. Ranga. At that time he thought that all monied men in India, all industrialists, *zamindars*, and capitalists, were devils, and he wanted to ally with the British, and would have liked the Britishers to exploit the wealthy class. But today, inspite of the great change, he wants the rich to be exploited, but there will be nothing left to be exploited by the Minister of Finance.

Sir, for these reasons I welcome the motion that the Bill be further investigated. I am sorry my friend on my left, Prof. Ranga, passed the remark that the Government did not investigate. The Finance Department being a part of the old Finance Department, how and why should it investigate, when it has found honourable members, and members of the reputation of my friend Prof. Ranga, supporting it for the last five years from the moment Sir James Grigg brought the Bill on the floor of the House and whispered to my friend Prof. Ranga in the Lobby of the House?

Sir, my honourable friend the Finance Minister may legislate, and this House may pass the Estate Duty Bill into an Act. But there will be nobody to pay those taxes. There will be no property left. As for that particular point whether the agricultural property should come under the purview of the Centre or whether it would be under the perview of the Provinces, that is another matter; the Provincial Ministers should hold conferences to decide it; it is not a matter for the Select Committee to decide. I have been alarmed at the way the Labour Minister of the Government of India has been legislating and putting heavy burdens on the Provincial Governments. I do not want the Finance Minister to lay further burdens on the Provincial Governments and at the same time touch on the autonomy of the Provincial Governments. Therefore, Sir, I like this motion. I do hope that sufficient enquiry will be made, not from the socialistic point of view as my friend Prof. Ranga or Mr. Sidhva would like, or from the capitalists' point of view, because in this House there is not a single man who is an industrialist who can say that he will pay three years hence Estate Duty as the Bill designs.

Sir, this is the situation. Let us examine it fully. Let the country examine it. And I hope the Finance Minister will also consult the various Chambers of Commerce—I believe they have been consulted—and also the Trade Union Congresses and *Kisan—Mazdur* Associations, of which my honourable friend Prof. Ranga is the President and leader, so that all views could be collatd. . . . . .

An Honourable Member: *Kisans* have no estates!

Shri B. Das: But *kisans* want what little I possess!

Therefore, I welcome the measure and I hope that nothing should be done in a hurry.

Prof. Shibban Lal Saksena (U.P.: General): Sir, I do not know whether the disapproval by many members of this House of this motion will induce

the Honourable Minister to withdraw it, but still I do think I must do my duty and tell him that, the motion should not have been made here.

Probably the reasons he has given do not convince him also, but he has to give some reasons. I feel these are not the real reasons, but I suppose the fact is that the Honourable Minister is not prepared to proceed with the Bill. What will it cost our Provincial Governments if the Bill were postponed for another six months? I think if this Bill is passed soon enough our Provincial Governments will be able to get crores of rupees which will be used for national development which is so urgent. From that point of view I think we must bring home to the Honourable Minister that he must see that the Bill is passed and placed on the Statute Book without a moment's delay. It should not be made contingent on the passing of the Hindu Code Bill or any other Bill. As many friends have pointed out methods like income-tax, methods can be devised for the realisation of this tax, but time is the essence of the situation and the Provincial Governments should be given the right to collect the duty forthwith so that they may proceed to finance their development schemes with the money which they get. I thought that the money was urgently required and that the Finance Minister would be only too eager to grasp at any source of income that was pointed out to him. But here we find our Minister who has thrown away this chance of getting plenty of money and filling his exchequer. I feel that if we adopt this motion, the charge levelled against us that ours is a capitalist Government will be strengthened. I therefore hope that the Honourable Minister will sense the feeling in the House that it does not wish that this motion for postponement of the Bill should be passed. He may take some time, but the House is anxious to see that this Bill should be passed at once otherwise it will mean the loss of several crores of rupees which will be very useful to the Provinces for their work of development. I therefore earnestly desire that the Honourable Minister should withdraw this motion.

Shri M. Ananthasayanam Ayyangar (Madras: General): Sir, I was not a little surprised when some Members said that the Honourable the Finance Minister gave certain reasons which do not find a place in the Committee's Interim Report that he presented. Word for word even the very expressions that have been used by the Honourable the Finance Minister here in supporting the motion for keeping this matter to lie over till the next Session, have been borrowed from the Select Committee's Report. Every argument that has been advanced by him finds a place here. I am not a protagonist of his, as he too well had occasion to say that I was going out of the way and quarreling with him. Therefore, I do not hold any brief for the Honourable Minister. My only interest in this is that I also was a Member of the Select Committee; Mr. Santhanam was a Member of the Select Committee, and both of us and some others have signed this Report. I shall read it.....

Shri M. Tirumala Rao (Madras: General): Is the rest of the House not to know the contents of the Select Committee's Report while the Members of the Select Committee quote before the House .....

Mr. Speaker: The honourable member knows that the Report is presented to the House and he is reading from it.

Shri M. Tirumala Rao: It is not circulated.

Mr. Speaker: That is another matter. It is open to every Member to have a loan of it for the time being.

Shri M. Ananthasayanam Ayyangar: Sir, I am aware that my friend is a high parliamentarian, but after the presentation of the Committee's Report there is nothing secret about it. As I got it from the Secretary, he could also

[Shri M. Ananthasayanam Ayyangar]
have taken it from him, and if he wants debate on this important matter adjourned, he could have moved the Speaker to ask it to lie over particularly in view of the fact that the Honourable the Finance Minister will be prepared to have the Report circulated. Therefore, it is not quite a good reason to be given against this motion.

The points raised are two or three. Before I come to them, I think there is ample justification for making this lie over. For, who are we trying to catch? After all, we want to levy this duty to ensure equality between man and man. That is one of the chief objects of the Estate Duty. It is certainly a taxation measure, but it is also intended for the purpose of removing inequalities of birth. For instance, one man inherits an estate worth Rs. 10 lakhs or one crore. Another man inherits a small estate. The one man may be very intelligent and the other man may be a dullard; all the same, he inherits a very large property which has been handed down by his father. It is to give the same start and to remove all inequalities in the social structure that this and other similar taxation measures are introduced. Income-tax is not only a tax but it is intended to adjust social and economic inequalities. That is a much greater and much more important aspect than the few chips that are sought to be raised by its levy or by this tax.

There is one other point which the honourable members in this House must note. This is not a taxation measure intended to enrich the coffers of the Central Government. It only goes to the various Provinces.

An Honourable Member: That is of greater importance.

Shri M. Ananthasayanam Ayyangar: Therefore, more than the Honourable member and I, the Provinces must be interested in this measure. Under the present Government of India Act, the Provinces can always apply to the Centre whenever there is a measure of taxation or a piece of legislation which affects the Provinces. They can certainly send in an application and ask the Department here concerned to take up that measure and pilot it on their behalf. No such thing has yet been done. Not only do they not seem to be anxious.....

Prof. Shibban Lal Saksena: Who?

Shri M. Ananthasayanam Ayyangar: The Provinces. Where is the proof that the Provinces are anxious about it? You and I are not the representatives of the Provinces here exclusively. Each Province has got its own legislature. There are popular Ministries there. Are we absolutely representatives of the entire continent of India of 80 millions? I do admit that we have a sense of responsibility, but the urge must come from the Provinces, because this measure is going to strengthen their sinews. That is number one.

Prof. Shibban Lal Saksena: Has the honourable member forgotten that we have been elected by the members of the Provincial Legislatures and we have, therefore, to safeguard their interests?

Shri K. Santhanam: May I point out that we here are the people to vote sums for the Provincial expenditure?

Shri M. Ananthasayanam Ayyangar: But my honourable friend knows only too well that we are only collection agents for this purpose as in various other matters also. After all, who are the persons that enjoy? Certainly, the ass that bears the gold does not enjoy it: We are only collection agents.

An Honourable Member: Who is the ass?

Shri M. Ananthasayanam Ayyangar: I am the ass; I have no objection. Let us not import emotion. As one is a socialist, the other is a Rowlands. Rowlands was very much interested in the welfare of India. He was a socialist of socialists. He wanted to throw this country along with others into the Bay of Bengal. I would not take a leaf out of that. The reason

why I stand up is I am a poor man. I have got consideration for a poor man. This measure is not going to affect my estate at all. But if a European starts some measure, however good it may be, I would only take it with a pinch of salt. On that ground alone, I would ask him to put it off for some time.

Now, let me go to the agricultural land. I will read out that portion of the Selec Committee's Report which is common to all of us. My honourable friend Mr. Sidhva has also signed the Report.

Mr. R. K. Sidhva: I have of course signed, but was the honourable member present at the meeting?

Shri M. Ananthasayanam Ayyangar: Well, I signed the Report and I stand by what I signed; my friend does not. (Interruption). Let us not carry on conversations across the table. I am entitled to speak and convince my friend.

Mr. R. K. Sidhva: I have of course signed, but was the honourable member he has not read it fully.

Shri M. Ananthasayanam Ayyangar: I have read it fully. It is in a corner and understandable to nobody except himself.

Now, I will read out the relevant portion:

"We have given anxious consideration to the proposal of the Finance Minister. We realize that to a very large extent the points raised by him were present to the mind of the members of the Legislature when it passed the motion to refer the Bill to the Select Committee and therefore cannot be said to raise questions which are new. Nevertheless the Committee with the exception of Mr. Sidhva felt that the arguments advanced by the Honourable the Finance Minister in support of his proposition that the consideration of the Bill by the Select Committee be postponed are weighty and should be allowed."

I do not know if the word "weighty" allows of superlative or comparative. It is sufficiently strong in itself. That is the considered opinion of all members except my honourable friend Mr. Sidhva.

Now, let me come to the merits. My friend Mr. Santhanam said, it is a lame excuse to say that this does not affect agricultural property. With great respect to him, I would say this, that the comparison of income-tax and this does not fit in. It is true that agricultural land is not liable to Central income-tax, but more than this income-tax every inch of land in this country is taxed to the hilt. If income-tax is imposed on agricultural land also, poor agriculturalists who own ten cents or one acre or one and a half acres will be free from taxation. They will all be free from taxation. But the land tax is a taxation measure much more onerous than any measure which has been conceived of. A man who owns ten cents has to pay out of proportion to his income, while a man getting Rs. 2,000 by salary or income or property other than agricultural land is now exempt from taxation. Under these circumstances, there is no analogy between the one and the other. It is true that it ought to be brought in line with the rest, but the exact reason is that till now income-tax legislation has also been dealt with at the Centre and every inch of land is liable to taxation somewhere or the other. What about death duty? If we pass legislation here exempting agricultural property, is death duty recovered in any form or shape by way of revenue or otherwise in any part of any of the Provinces in this country? No. There is no correspondence. Whereas agricultural land is exempt from central income-tax it is liable to some tax or revenue which is more than this. There is no correspondence here. I am repeating this argument for this reason. Let us take a person who has got a lakh of rupees he has earned. His property is not agricultural property. Another man has invested all his property in agricultural land. We will assume he has 5 or 10 lakhs. The one man will be exempt from taxation, the death duty, the measure which we want to

[Shri M. Ananthasayanam Ayyangar]

introduce, which we want to hurry through. So far as the other man is concerned, his one lakh of rupees will be reduced to fifty thousand or even less. He may have a dozen children. Therefore, there is inequality of income; inequality of estate and difference in start, which is one of the main objects of this Bill to adjust. If I am a socialist, I must urge that there should be equalisation of property, so that no one man or group may have a start in life over the other man. But here the very object is frustrated. I do not know how my friends are bringing in the analogy of income-tax. It is absolutely different. It does not suit the position under the Estates Duty Act.

Now, let me come to my honourable friend Mr. Shiva Rao. He thinks of Clause 6 as it affects only the Joint Hindu Mitakshara family. It is like removing the key stone and asking the arch to stand. What is the community other than the Hindu Mitakshara except in a corner of Bengal? Still we are groups of family everywhere. Even the Marumakkathayam law retains the qualities of the Joint family in some form or other. This is like putting a piece of salt in a pot of milk. I have no objection. Mr. Shiva Rao may do so. Let him do so. The whole thing will curdle. Where it was the Joint Hindu family before, we are by side-tracking and by another round-about method trying to destroy that family. Let us have a vote of this House whether our structure should be destroyed or not. I do not disagree that there are friends here who have absolute contempt for Hindus, contempt for Hindu law, contempt for Hindu culture. I do know that some people have become so Anglicized, they have contempt for everything Indian. They think they were born of scratch and we have to just once again re-impose all our institutions from the West. A motor car which has become useless and obsolete in the West becomes the starter of a new engine in India. Likewise, absolute individualism—father does not care for the son; the son does not maintain the father. If such an institution is brought into this country I have got very grave objections. I have very serious objections to the disruption of the Joint Hindu family. It may be with great respect to those who have introduced revisions in Hindu Code, but I will have my say and I will try to the best of my ability to oppose the passing of that measure or whatever other such measures might come up. So far as marriage, there may be need for interference here and there but not with respect to the Joint Hindu family. It is an institution which has served. It is an institution which takes the place of social security in this country.

Shrimati Renuka Ray (West Bengal: General): May I raise a point of order? Can we have a discussion of the Hindu Code before the Select Committee has sat?

Mr. Speaker: I was just thinking of reminding the honourable member that he is going beyond the scope of the present discussion.

Shri M. Ananthasayanam Ayyangar: I will come back to the scope. If I have erred on marriage, I will come back to property.

Now, Sir, I was only addressing myself to the importance of clause 6. Mr. Shiva Rao said that the Joint Hindu Family is after all only one class and is not going to affect the very structure of this Bill. Clause 5 says what is the property which can be taxed.

Shri T. A. Ramalingam Chettiar (Madras: General): Are we discussing the merits of the Bill or whether further time should be allowed to the Select Committee if further time is not given it should be superseded by some other Select Committee or this House should take charge of the Bill by itself? That is the question that has to be decided.

Mr. Speaker: The proposition before the House is simple. One of the reasons given by the Honourable the Finance Minister was that the question

of the structure of Hindu family under the Mitakshara is an important point for which they want some time to consider. It is from that point of view that the honourable member, I believe, is trying to point out the importance of the social structure and therefore the necessity for longer time of course. he should not go into further details and that is why I said, he was going beyond the scope.

Shri M. Ananthasayanam Ayyangar: I was pointing out to clause 5 as to what the property is. Are we to be satisfied that the Honourable the Finance Minister is not a socialist? So far as this matter is concerned, I humbly submit to the members of this House that we should not do anything hastily. One of my friends said: "Why, war profits will escape"? War profits won't escape until the man is alive. Why should you expect these people will die immediately? Let them live for and multiply their profits also; let them live happily, acquire more wealth, so that by the time the Estate Duty comes into operation we will have large chunks of gold from them. I heartily support this motion for the Select Committee being given further time to consider this matter till the next session of the Assembly.

Mr. R. K. Sidhva: The Honourable Mr. Ananthasayanam Ayyangar stated that he signed the report. May I ask him whether he placed all these views before the Select Committee?

Mr. Speaker: That point is irrelevant.

The Honourable Shri R. K. Shanmukham Chetty: Mr. Speaker, the motion that I have placed before the House is only recommendation of the Select Committee and not a motion for which I am solely responsible, but I am glad that my honourable friend Mr. Ananthasayanam Ayyangar brought out this point. The Select Committee was charged with the duty of presenting a report to this House within a specified time. The Select Committee has presented an interim report in which they have recommended that the House should be requested to grant more time and I have simply translated that recommendation into the form of a definite motion. But I do not want to shirk my responsibility in persuading the Select Committee to accept such a decision. I pointed out to the Select Committee the reasons that should weigh with them in coming before the House and making a request for the grant of further time and the Select Committee saw the force underlying my arguments and they accepted my recommendation. Some charge has been made more or less in an indirect manner that it is probably my intention by means of these dilatory tactics to postpone indefinitely the passing of this measure into law. If Honourable Members who have any such suspicion will take the trouble of understanding the genesis of this measure, they will find it is a totally unjustifiable suspicion. This Bill was introduced some time back in the old Legislative Assembly and after the constitutional changes the Bill lapsed. There was no Bill before this House. If I had the slightest intention of obstructing the passage of such a measure, the course open to me was very simple. I should simply have desisted from introducing this Bill before this House. But I felt, Sir, that a measure of this kind to bring about a more equitable distribution of wealth in this country is eminently desirable. At the same time when I read the provisions of the Bill as was drafted, I realized it was defective in many respects. But I felt that the best way of expediting the passage of this Bill is not to indefinitely take time to reconsider all these defects, but to bring it before the House and to ask my Ministry simultaneously to study the various implications of the measure in the light of the criticisms expressed in this House and in the Select Committee, and in the face of this attitude, I would leave it to the House to decide whether I was actuated with the intention of stifling this measure or

[Shri R. K. Shanmukham Chetty]

was actuated with a motive of doing my best to expedite the passage of this measure.

My honourable friend, Professor Ranga levelled certain accusations against the efficiency of the Ministry of Finance. Sir, I have only to say this. As Minister in charge of that Department, I would welcome any criticism levelled against me. I, as a responsible minister am prepared to take all the consequences of the working of the Ministry of Finance, but I will not tolerate any such unjustifiable criticism against the officers of my Ministry.

Prof. N. G. Ranga: As a matter of personal explanation, I had no officer of his Department in my mind at all. When I was criticising his Ministry, I was criticising him and the whole of the Ministry for which he is responsible.

The Honourable Shri R. K. Shanmukham Chetty: I am glad that the honourable member has elucidated the point. I take the fullest responsibility for any delay that might have occurred in the examination of this Bill. The officers of my Ministry have discharged their task and their responsibility in the most satisfactory manner.

Prof. N. G. Ranga: It is your opinion and we have another opinion.

The Honourable Shri R. K. Shanmukham Chetty: And if any delay is caused, I take the fullest responsibility for that delay. I have given very valid explanations which I am glad to say the Select Committee conceded when I pleaded for the postponement of the consideration of this measure.

Mr. Speaker: The question is:

"That the time appointed for the presentation of the Report of the Select Committee on the Bill to provide for the levy and collection of an estate duty in the provinces of India, be extended upto the last day of the first week of the next Budget Session of the Assembly."

The motion was adopted.

Mr. Speaker: There are only five minutes left. Now the Honourable Minister may move his motion and then we may adjourn.

The Honourable Shri R. K. Shanmukham Chetty: Sir, I want a little longer time to move the Bill.

The Assembly then adjourned for Lunch till Half Past Two of the Clock.

The Assembly re-assembled after Lunch at Half Past Two of the Clock, Mr. Speaker (The Honourable Mr. G. V. Mavalankar) in the Chair.

DECLARATION BY MEMBERS

The following member made the Declaration under Rule 2C:

Shri Prabhu Dayal Himatsingka (West Bengal: General).

ELECTION TO STANDING COMMITTEE FOR MINISTRY OF EXTERNAL AFFAIRS AND COMMONWEALTH RELATIONS

Mr. Speaker: I have to inform honourable members that for the purpose of election by means of the single transferable vote of a member to the Standing Committee for the Ministry of External Affairs and Commonwealth Relations, the programme of dates will be as follows:

Nomination to be filed in the Notice Office up to 12 Noon on Wednesday, the 11th instant.

Election, if necessary, will be held on Friday, the 13th August in the Assistant Secretary's room (No. 21) in the Council House between the hours of 10-30 A.M. and 1 P.M.

FACTORIES BILL

PRESENTATION OF REPORT OF SELECT COMMITTEE

The Honourable Shri Jagjivan Ram (Minister for Labour): Sir, I beg to present the report of the Select Committee on the Bill to consolidate and amend the law regulating labour in factories.

BANKING COMPANIES BILL

The Honourable Shri R. K. Shanmukham Chetty (Minister for Finance): Mr. Speaker, I move:

"That the Bill to consolidate and amend the law relating to banking companies, be referred to a Select Committee consisting of Dr. B. Pattabhi Sitaramayya, Shri T. A. Ramalingam Chettiar, Shri Arun Chandra Guha, Shri Prabhu Dayal Himatsingka, Shri Vikramlal Sondhi, Prof. K. T. Shah, Srijut Kuladhar Chaliha, Mr. Hossain Imam, Shri T. T. Krishnamachari, Shri T. Channiah, Shrimati G. Durgabai, Dr. Dharam Prakash, Shri U. Srinivasa Mallayya, Shri M. Ananthasayanam Ayyangar, Shri Jaspat Roy Kapoor and the Mover, with instructions to report on or before the 15th August, 1948 and that the number of members whose presence shall be necessary to constitute a meeting of the Committee shall be five."

Sir, honourable members might remember that towards the end of January 1948, I moved a motion for withdrawing the Bill to regulate Banking in India. In moving that motion I explained what my intention was. I then said that it was purely with a view to facilitate discussion in this House. When I adopted the course of withdrawing the Bill that was then before the House, I intended to move for the introduction of a Bill consolidating all the amendments made by the Select Committee and a few consequential amendments necessiteted by a change in the constitution. The Bill before the House now is really a Bill that has consolidated for the sake of convenience the report of the Select Committee which examined the measure in very great detail. I have also taken this opportunity to incorporate certain special amendments due to the changes in the constitution and also certain amendments of a verbal nature, and one amendment based on the report of the minority of that Select Committee.

Banking law in this country has formed part of the general company law. It was felt for a very long time that a separate Banking law was necessary to regulate Banking. The object of the Indian Companies Act is primarily to protect the interests of the stockholders whereas the object of a Banking legislation must be primarily intended to protect the interests of the depositors and the public. The fundamental conception underlying the company law is therefore different from the conception underlying banking legislation, and the need for such legislation, as I said, has been felt in this country for a very long time

The Central Banking Enquiry Committee which conducted a very detailed and elaborate enquiry on the question of banking during the years 1929-1931 made some very elaborate recommendations for the enactment of the banking law of this country. I happened to be a member of that Commission and it is therefore a matter of pleasure to me that I should have this opportunity of piloting this measure through this House and give effect to some of the main recommendations of that Commission. No immediate action was taken on the recommendations of the Banking Commission. In 1936, however, certain recommendations of the Banking Commission were incorporated in the Indian Companies Act. There the matter rested. In 1938, a banking crisis occurred in South India and the attention of the public was once again concentrated on the need for a comprehensive banking legislation. The Government of the day, in 1940, drafted a Bill and circulated it for eliciting public opinion; but on account of the preoccupations connected with the war, no further steps were taken. During 1942 and 1944, certain interim measures

[Shri B. K. Shanmukham Chetty.]

were passed to remedy some of the defects in the capital structure and management of banks. Beyond this, the fundamental points arising out of banking legislation were not touched. It was in 1944 that a comprehensive Banking Bill was introduced in the Central Legislature. Unfortunately, soon after that, in 1945, the legislature was dissolved and the Bill lapsed.

In March 1946 a new Bill based on the opinions received so far was introduced and referred to a Select Committee of the Legislature. This Select Committee gave an opportunity to experts and various interests concerned to represent their views, and after a very close and detailed scrutiny of all the clauses, the Select Committee finally submitted its report.

The present Bill, as I have stated, is merely a consolidation of the recommendations of the Select Committee. Ordinarily the old Bill, with the report of the Select Committee, would have been taken up for consideration of this House and there would have been no need to refer the matter again to another Select Committee. But as I indicated also in my speech, such a procedure would have been very cumbersome, because on every clause a motion would have to be made embodying the amendments made by the Select Committee, and these amendments being one of substance, it would have been very difficult for the Honourable Members of this House to understand the full implications of a clause or the amendments proposed by the Select Committee. I am sure that under these circumstances the House will agree with me that the procedure that I have adopted will be more welcome to the House and more convenient from the point of view of an intelligent consideration of the measure.

In consolidating the amendments of the Select Committee into a comprehensive measure I also took the opportunity of introducing certain amendments necessitated by a change in the Constitution that occurred in the meantime. For example, in the old Bill and in the report of the Select Committee the phrase "British India" occurs. In place of that we have substituted "Provinces of India." In consultation with the Reserve Bank, we have also made certain amendments more of a drafting nature intended to improve the drafting of the Bill, and as I indicated earlier I have also included a clause incorporating one of the recommendations of the Minority of the Select Committee placing a limitation on the dividends that might be paid by banks constituted after a certain date.

It is not necessary for me, Mr. Speaker, at this stage to go into any great detailed exposition of the various clauses of the Bill. The Bill is a very comprehensive measure. It attempts the primary task of defining what a banking company is. Until now we have no legal definition of the words "banking company".

I remember that when this problem was considered by the Banking Enquiry Commission various difficulties were encountered in devising an accurate and suitable definition of the phraseology. I am reminded of the saying of a gentleman who used to say that the difference between a moneylender and a banker is that while a moneylender lends his own money a banker lends other people's money. That popular conception however is very nearly a fair expression of what banking practice is, but that would not serve a legal definition. The Select Committee has to my mind given what might be regarded as a very fair working definition of what a banking concern is. The Bill contains provisions for improving the standards of management and to prevent the inter-locking of banking directors which has been almost a curse in banking system in our country, and to which might be traced many of the frauds and malpractices committed by banks. Elaborate provisions have been made to ensure a suitable capital structure. We have also made provisions for effective and adequate

inspection of banks by the Reserve Bank and we have also taken this opportunity of enlarging the powers and the functions of the Reserve Bank in relation to the banking system of the country, so that the Central Bank might be in a position not merely to give effective help but to offer sound advice at the appropriate moment. I have also taken this opportunity to incorporate a clause under which the banks situated in Indian States, which have acceded to the Union, will also come under the general banking structure of our country. The banks which are situated in Indian States and which are outside our jurisdiction have been a fruitful source, not merely for the refuge of black-market money but for the perpetration of many of the evils connected with tax evasion, and one of the greatest handicaps of our income-tax administration has been our inability to trace an account to the Indian banks situated in the Indian States, and I am confident that with the incorporation of this clause in the new measure that loophole will once and for all be closed for malpractices.

These, Mr. Speaker, are the main features of the Banking Bill. I have suggested that the Select Committee should report on or before 18th August, only nine days hence. It may be considered that this is too much of a hurry, but as I said the work of this Select Committee will be comparatively simple because a previous Select Committee has gone into very great details in examining the provisions of the legislation and sufficient opportunity was given both to the public and to the experts to represent all their points of view.

With all these facts before them, it would be possible for the Select Committee to conclude its deliberations quickly and to present its report before the 18th August as I contemplate. I am particular that this measure should be placed on the Statute Book at the earliest possible moment, and with that end in view I would very much like that this measure should be passed during the current session of the House. Banking legislation is long overdue and I hope the House will appreciate the need for the legislation and the urgency of the matter.

Mr. Speaker: Motion moved:

"That the Bill to consolidate and amend the law relating to banking companies, be referred to a Select Committee consisting of Dr. B. Pattabhi Sitaramayya, Shri T. A. Ramalingam Chettiar, Shri Arun Chandra Guha, Shri Prabhu Dayal Himatsingka, Shri Bikramlal Sondhi, Prof. K. T. Shah, Srijut Kuladhar Chaliha, Mr. Hossain Imam, Shri T. T. Krishnamachari, Shri T. Channiah, Shrimati G. Durgabai, Dr. Dharam Prakash, Shri U. Srinivasa Mallayya, Shri M. Ananthasayanam Ayyangar, Shri Jaspat Roy Kapoor and the Mover, with instructions to report on or before the 18th August, 1948 and that the number of members whose presence shall be necessary to consititute a meeting of the committee shall be five."

Shri B. Das (Orissa: General): Sir, this is the third Banking Bill that I have the privilege of seeing introduced in this House. I opposed the last two Banking Bills with all the vehemence that I had in my command. Now that we are a free nation and the Reserve Bank to which I was very much opposed under the British regime is going to be a nationalised bank I wholeheartedly support the measure, which my honourable friend Shri Shanmukham Chetty has just now tabled. There was the suspicion in the past that the Reserve Bank being an instrument of the Bank of England wanted this Banking Bill introduced in India, so that it completely controlled banking in India, so that the money of India was placed at the disposal of the Bank of England. In 1939 by the mere amendment of Section 126A of Government of India Act, 1935, England did the worst thing possible. She took away completely the money, men and resources of India and exploited them to the full extent possible, thus making the Reserve Bank of India a cat's paw of the Bank of England and the British Raj. That sort of nightmare will not occur in future. The Reserve Bank is our own bank now. Any prejudice that we had in the past, any criticism that I have levelled on the floor of this House time without number

[Shri B. Das.]

that the Reserve Bank did not function as the national bank of India that charge I hope will not be levelled again at the Reserve Bank. When my friend will discuss the measure for nationalisation of the Reserve Bank later on he will say that it will function not only as a banker's bank but also as the tax-payer's bank, as the people's bank and will function in the interest of the people of India.

For one thing I wish to thank my friend the Finance Minister. He has rung the death knell of the sahukars; his friends the Nattukottai Chetties of Madras used to command large private banking and private resources.....

An Honourable Member: He is not a Nattukottai Chetty.

Shri B. Das: Anyway he bears a similar name. Now that the Government is our own, we want all banking to be controlled by this Banking Act. It will cause hardship to many but the provincial governments have already passed a Moneylenders' Act, in every province and thereby they have controlled private moneylenders and sahukars to a certain extent. My friend is now going to give the finishing touch to wipe off this institution, under which at the moment the nation groans.

I have to make only one suggestion to the draft. Last time I was not a member of the House and when I gave evidence before the Select Committee I was pleading the cause of the small banks. But nowhere do I find either the Finance Minister or his advisers in the Reserve Bank or the Finance Department suggesting how the circulation of money is to be increased in the country through the banks. In that I consider the Government of India and the provincial governments as the biggest culprits. They should not pay their salaries in cash. They should introduce cheques, not alone through the Imperial Bank or the Reserve Bank but through all Banks. The Imperial Bank will shortly be nationalised. My honourable friend has promised us that a Bill will come in the near future. If the Government is to control scheduled banks, through the Reserve Bank let all Government money, provincial government money as well as the Central Government money, be deposited in every bank that is on the list of the Reserve Bank and let the Government of India and the provincial governments pay their salary bills in cheques on various small banks and large banks. There will then be larger circulation of money. One often finds that it is the Government employees who do not encourage banking principles in the country. They go and patronise their former master's bank, the Imperial Bank. They do not go to other national banks. I hope my honourable friend who understands the mass mentality in the countryside will see that Government has accounts in every bank which will be in the list of the Reserve Bank and to which will be allowed inspection and control of the Reserve Bank, so that large amounts of money which lie hoarded in the Imperial Bank at present, (in spite of its becoming a national bank in the future) will circulate through all the banks in the countryside and through co-operative banks, which at present is not the case. I appeal to my honourable friends in the Select Committee to pay attention to this aspect of the matter and to introduce a clause in the Bill so that the Government of India and the Reserve Bank will be forced to have a certain amount of money in every bank that will come under the jurisdiction of this Act and thereby money circulation will be increased and much more human benefit will accrue. With these few remarks I support the motion.

Mr. R. K. Sidhva (C. P. and Berar: General): Sir, I welcome this Bill for reasons. It safeguards the interest of the depositors. The interest of the depositors is the main feature of a bank. Before the Reserve Bank was established, in earlier days we know that many mushroom banks came into existence with the result that a large number of depositors suffered due to failure of banks. Even after the establishment of the Reserve Bank I feel that the

depositors' interests are not very secure. We know of two instances where even scheduled banks, which have to comply with the provisions of the Reserve Bank Act have come to grief. Neither the Reserve Bank has been helpful to these banks nor have those banks been able to safeguard the interest of the depositors, with the result that the depositors have lost their hard-earned money. I remember two banks which were asked to suspend acceptance of deposits from the public by the Reserve Bank on account of their improper management. That was good in a way. I shall mention the name of one bank, which was the Jwala Bank. The Reserve Bank asked them to stop payment. Rightly so if it was in the interest of the depositors. But the Reserve Bank was not helpful in the protection of the rights of the depositors with the result that this bank has been bragging that after this fiat was issued by the Reserve Bank they have been able to give 80 per cent. of their money. That is incorrect. This bank gave only 75 per cent. in some cases and 50 per cent. in some other cases but they are taking receipts for 100 per cent. from the depositors. I know of small depositors and public funds which have lost their money. The Reserve Bank which was meant to protect the interest of the depositors has not come to their rescue. So I find in the provisions of this Bill many clauses which strengthen the constitution further of the Reserve Bank. I welcome the Bill from that point of view, *viz.*, the depositors' interests must be safeguarded fully. The depositors are not big people. The big people do not deposit money, they draw money. It is the small people who with their small savings are the largest contributors to banks, to the extent of crores of rupees. They save from their earning and keep the money in the banks under the impression that the Government is at the back of them. They consider the Reserve Bank as a Government bank. They feel that scheduled banks are now under Government protection and therefore they can deposit their money in scheduled banks as they offer higher interests. The poor depositors who are small people depend on the interest from their deposits for their maintenance also. Therefore they deposit their money in this manner. Some of these banks have simply been a failure as far as the interests of the small depositors are concerned.

3 P. M.

Mention was made by my friend Mr. B. Das of small banking companies. I do not attach any weight to small banking companies. There should be substantial banking companies who should really have a thorough knowledge of banking and who could, when they accept money from the public—which is a trust with them—return pie to pie with interest. If small companies cannot manage successfully, they should not be allowed to start—leave alone the question of winding them up. There is a loophole even in this Bill and I hope the Select Committee will see to the strengthening of the Reserve Bank to such an extent that it could keep a vigilant eye on them. Today it cannot keep such a vigilant eye. It does. I admit but it has not got sufficient powers. Scheduled banks are supposed to be gilt-edged banks, but they are not so; they are speculating in shares. In my opinion that should be prevented. It is with the public money that they are speculating and I do not see any reason why speculation by these banks should not be stopped. Provision should be made to that effect. A bank can give loans, it can earn money from giving loans to persons, to industrialists, to any small man if they feel justified, and earn from the interest. They give 1½ per cent. and they charge 4 or 5 per cent. interest. I think their earning is quite all right. Why should they speculate? One of the reasons for the fall of the Jwala Bank from my experience is the speculation in shares, to a very great extent.

I do not know what is meant by small banking companies. There are some businessmen who call themselves also bankers. They have got some money—a few lakhs of rupees. They call themselves bankers and the poor public go and deposit their money with them under the temptation of receiving more per cent. of interest. There should be a safeguard by which these bankers—let them call themselves bankers if they so choose—should be

[Mr. R. K. Sidhva]

precluded from accepting any deposit from the public. There should be no temptations, and temptations are always there now because people, generally pensioners, and retired persons invest their money in the hope of getting more interest in the small banks as they consider them to be good banks. Banks like the Imperial Bank, Central Bank or the United Commercial Bank or the Bank of India offer low interest, they give 1½ per cent. So these other banks are an inducement to them and they go and invest their money there. They should be stopped from taking money from the depositors.

In regard to Directors I would like to have a provision. I think I made mention of it once before. We have introduced this provision in Co-operative banks. There the Directors used to borrow money for their own purpose. A clause was therefore inserted prohibiting them from borrowing any money. I do feel that the time has come when it should be prescribed by law that no Director can draw money in his own name or in the name of his near or dear relative. It may be said that I am going too far. I may be going too far. I have the interests of the poor people who keep their deposits in the banks and I know how much they have suffered. They have lost their savings. They have realized ten, fifteen or sometimes 20 per cent. If the Directors want to serve the public they should be content with their fee. They get Rs. 50 when they attend a meeting—sometimes Rs. 100. They get all other expenses. As such I see no reason why they should be allowed to borrow money from the banks. I am told sometimes that they do not vote at the meeting at such times. I do not attach any importance to that because the Director remains mum there at the time when his own personal question comes up, but he indirectly influences the other Directors and these Directors vote for the payment of these amounts. From this point of view I would like to have a provision in the manner I have suggested.

I also feel that one Director should not be interested in any other bank. I have seen a Director interested in half a dozen banks. I have seen in Bombay, —he attends the Directors' meeting at one place for seven minutes, pockets the Rs 50 cheque, goes to the other bank, attends that meeting for seven minutes and thus within half an hour he gets about Rs. 400, paying little attention to the affairs of the banks. I know of a person who was interested in twenty-seven concerns—I won't mention the name. But I would submit that this practice should be stopped because the Directors will then have no time to devote to the interests of the depositors and the general interests of the public. I would request the Honourable Minister to bear in mind this aspect of the question. The general interests of the depositor should be at the heart of all the banks. That could only be done when, as I have already stated, speculation by these banks is stopped. At the same time the Reserve Bank should keep a vigilant eye.

Even today in some of the good banks also I have seen that there has been a rush on account of some false rumour by certain interested persons. That is not hearsay but a fact. The best of the banks have been maligned by some interested persons. A rush has been made on the bank with the result that it could not meet the demands, and the Reserve Bank has not been able to come to its rescue at the nick of the moment. There is, on the other hand, a provision for the Reserve Bank to come to its rescue. It should have done so under the present Reserve Bank Act. Where the Reserve Bank is satisfied that the bank is run on business-like principles it should come to its rescue if there is a rush. People become panicky and if you or I invest money, we also at times become panicky; we would put in our withdrawals and draw the money with the result that the bank cannot cope with the demand. If the Reserve Bank or the Imperial Bank does not come to its rescue it will have to close its doors. Some of those banks in the past I know have paid back sixteen annas in the rupee to the depositors. Such banks should be fully protected.

These are some of the loopholes in the present Act and they will have to be amended. I support the Bill and I do desire and expect that the Honourable the Finance Minister will kindly see to it that the interests of the depositors, irrespective of any consideration, are fully borne in mind, and that a scheduled bank is such a bank where the depositor will have no kind of doubt when he deposits his money. To that extent the banks must be strengthened and the Reserve Bank should keep a proper eye on the day to day working of such banks. With these few words I support the provisions of this Bill.

Srijut Bohini Kumar Chaudhuri (Assam: General): Mr. Speaker, Sir, my honourable friend the Mover of this Bil has tried to make a distinction between a moneylender and a bank. He has said that a moneylender is one who advances money out of his own resources; he has also defined a bank as an institution which lends money whioh belongs to other persons. Sir, that is quite true. He has, however, failed to observe the distinotion between a gentleman borrower and a trading borrower. The gentleman borrower is being simply extinguished by this sort of banking legislation. A gentleman borrower is one whose debts are fully realised, and a trading borrower is one who gets free advances from the bank either till it closes or till it goes into liquidation.

Now, the gentleman borrower also includes the ordinary agriculturist borrower. They have been simply thrown out of their gear on account of these banking institutions. You might think of co-operative banking. I have seen a number of co-operative banks in our rural areas most of which have gone to ruin; most of them have failed to satisfy the requirements of the poorer classes. It is only the richer classes who go to Commercial Bank who have liquid securities; they get the advantage out of this kind of a bank. The people who are not known to the bankers, who had generally got some assistance from the money-lenders, they are now in great difficulty. The more you are trying to protect this class of people, the more difficulties they have to encounter, with the result that we have to fall back upon the banking institutions.

I am very glad that for the first time in the history of banking bills, we have today been able to secure a representation in the Select Committee. I consider that to be very important because Assam is in an undeveloped condition so far as banking is concerned. It is quite right for you now to come forward with very tightening measures. A large number of outside banks had their branches in Assam and large amounts of local money were deposited in those branches. Most of them, I should say, had either closed their doors or gone into liquidation, with the result that the people of Assam now like to have their own banks. If the money which they deposit now in local banks is lost to them, it is lost to them in their own Province; it is their own people to whom they can go and whom they can chastise and criticise if they find that they have misused their money. But when the banks come from outside the Province and when they liquidate they have no practical remedy. So people have become very shy of keeping money in banks other than their own. At this time this legislation comes—and a hint of it was also given in the previous session—with all its restrictive clauses in order to prevent growth of undeveloped banks.

You say on the one hand that unless you have sufficient capital your bank will not be allowed to go on after two years. At the same time when people come to you for issue of capital you say, "We will not grant any more issue of capital". I am telling you from my own personal experience. The banks have not been allowed capital issue because on account of paucity of capital they could not give a proper account of themselves. Now, having refused them capital issues, you say under clause 12, "As you have not got so much capital you shall not be allowed to continue to do business". Sir, I think there should

[Srijut Rohini Kumar Chaudhuri]

be some exemption in respect of banks which are established in undeveloped areas by indigenous people.

Secondly, you come to the opening of branches. That is a question to which I had referred previously also in another banking bill. In the smaller Provinces they have started banks and they want to have branches at least in their own Province—not to think of having branches outside the Province, they must have at least in their own Province. Then clause 22 comes in and says, "No, you cannot establish branches without the permission of the Reserve Bank."

Then these new banks which have been started in the Provinces—by "new" I include those established about twenty years ago—have not been able to come on the Schedule of the Reserve Bank because they have not been able in some cases to secure a sufficient amount of shares; though it is quite true, they have not been able to sell a sufficient number of shares and their capital is somewhat limited. But would you give them facilities to secure sufficient capital in those cases? Will you give them permission to sell more shares so that they may come under the Schedule or that they may have the requisite capital for purposes of expanding their business not only among people of the Province but also outside.

These are the exemptions which I should claim in favour of Provinces which have not got banking yet developed. But when I bring to the notice of the House questions like these, invariably it is considered to be provincial or parochial. But I should submit that when a Province is found to have been very dreadfully cheated by the branches of banks which had come from outside the Province and when the Province itself wants to develop its banking line, due facilities ought to be given to them. Therefore I would submit that the strict clauses like clause 12 or clause 20 or 22 should be somewhat modified in application in respect of those banking concerns.

Now, on account of the failure of so many banks in the country it has become very difficult to carry on the existing banks which have been found wanting in meeting the demands of the constituents. But there has been a general feeling in the country that there should be more Scheduled Banks. Unless there are more Scheduled Banks the people do not like to invest money in other Banks, and when you think of investing in Scheduled Banks you find that most of these are from outside the Province. Would you not, Sir, in such a case help a bank of the Province itself if it can give you sufficient amount of capital, if it can show that it can really sell so many shares? Why are you so unwilling to give it the necessary permission to sell the shares or otherwise increase their capital? It will be said that it is a matter which is left entirely to the Reserve Bank. My experience of the Reserve Bank activities in this direction has been very unhappy; I have found that in most cases when you go out for any special consideration or any privilege in respect of a particular bank from the Reserve Bank, it is very difficult to get it, and the Government of India itself, with whom I think the final decision rests, do not care to interfere in a decision which is made by the Reserve Bank.

Therefore, I will most humbly request the Members of the Select Committee to take this aspect of banking into their consideration, particularly with regard to the Provinces where indigenous banking has not been developed. If this legislation stands in the way of development of indigenous banks, the people naturally would like to think that it is better they have no banks: it would be better that they go back to the original system of borrowing money from the moneylender who, although he charges a very high rate of interest, at least would come to the rescue of the people in real distress.

They would not demand liquid security which is almost impossible for ordinary labourers or small traders to furnish. Therefore, I would submit that

all facilities should be given for development of indigenous banks because indigenous banks, at least in a province, know their own constituents and they can be expected to be more sympathetic and more reasonable than the banks which come and establish business in a different province. I am not saying that those banks which are established in a different province and have branches in another province should be discouraged. I do not mean to say anything of the kind, but I would say that there should be room open for the backward provinces to develop in banking business.

Prof. N. G. Ranga (Madras: General): Sir, I am generally in agreement with the main principles underlying this Bill, but at the same time, I must confess my disappointment that no effort has yet been made to make a serious study of the possibility of nationalising the banking industry in this country. I think it is high time that the Honourable the Finance Minister should try to get necessary studies made and, if possible, a scheme also worked up, so that it might be possible within a short time to nationalise if not the whole of our banking industry, at least some of the most important sections of it. This morning when I heard from the Honourable the Finance Minister that he was introducing the Bill to bring the Reserve Bank of India under public ownership, I was a little disappointed because I was under the impression that along with the Reserve Bank of India at the same time and through the same Bill he would be trying to propose a similar procedure to be adopted for the Imperial Bank of India also. But that somehow that did not happen and I do not know when and how soon the Honourable the Finance Minister would be coming forward before this House with a Bill for the nationalisation of the Imperial Bank of India also. Secondly, there are these Exchange Banks, most of which are yet not in the hands of Indians, anyhow not under the predominant control of Indians. Some special steps have to be taken to bring these Exchange Banks at least under State control and State management at the earliest possible moment.

And yet there are certain very welcome features in this measure to which I wish to express my own personal approval. The Honourable the Finance Minister was good enough to accept the recommendation made by a "minority", as he called it, that there should be some limitation placed on dividends. I am glad he has accepted that suggestion. Along with it, I do hope that the Select Committee would also try to put some limitation on the salary that would be paid by the various banks in our country.

Shri T. T. Krishnamachari (Madras: General): Top salary is limited.

Prof. N. G. Ranga: I am glad. Then, there is the total percentage of expenditure that is to be incurred on establishment. It has to be examined whether any limitation can possibly be placed on that also. Thirdly, Sir, I am glad that the Reserve Bank is proposed to be given power to control, inspect, supervise and advise these various Banks. Now that the Reserve Bank is going to be nationalised, it is good that such powers are being given to this apex Bank, because that is one of the measures by which we can possibly try to safeguard the interests not only of the investors but also the general public who have to be served by these Banks.

When I speak about the public, I naturally have to consider the relationship between these ordinary banks and the co-operative banks in our country. I am not quite satisfied with the present conditions prevailing in our country. Too often, the Imperial Bank does not help the co-operative banks. Nor do the scheduled banks go out of their way to render any sort of assistance to the

[Prof. N. G. Ranga]

co-operative banks. These banks consider the co-operative banks as their rivals and try to discourage co-operative banking and when the Reserve Bank of India Bill was before the previous Assembly efforts were made by various members of the House and assurances were given by the then Finance Minister that every possible care would be taken to give special assistance to co-operative banking so that rural credit would be augmented by the assistance given by the Reserve Bank of India. But in actual practice, assistance that the Reserve Bank of India has been able to give till now has amounted to practically nil or to very little indeed, and it could not in any way satisfactorily help rural credit in our country. Therefore, some special steps will have to be taken by the Select Committee in order to see that this Bill would make it possible for the future banking in this country to assist cooperative banking and also never to thwart the progress of co-operative banking.

Lastly, Sir, there is this problem to which attention has been drawn just now by my honourable friend from Assam, namely, the interest of local banks versus Inter-statal or inter-Provincial Banks. If you concede the point that banks do come to have a key position in our national economy, then you necessarily have to admit that inter-statal banks would come to be much more powerful than the local banks. It might be possible for the local public to control the local banks but it would be impossible for them to control these inter-statal banks. Therefore, what with provincial autonomy and the autonomy that the various Indian States would be enjoying in this regard, it would be better, I think, on the whole to encourage these local banks and bring them under the direct control of the Reserve Bank instead of encouraging these inter-statal banks and thus make them a sort of a State within a State and indeed a bigger State than the Provincial Governments or the Indian State Governments. It is for these reasons that I wish to extend my support more for the local banks than for these inter-statal banks. It might be contended that the inter-statal banks would be able to command bigger financial resources, greater managerial skill and stability. Therefore, it would be possible for the investing public also to have greater confidence in them and place their funds there in larger quantities with the result that these inter-statal banks would be able to help these bigger industries on a larger scale. Sir, I have been contending for a long time that private enterprise ought not to be specially encouraged by the State and as far as it is possible, it is the State's duty to try to take under its own management directly or indirectly as many sectors of our economic structure as possible.

Under those circumstances I think it would be indeed better that inter-statal banks should not stop but encourage because such banks with such huge resources would indeed make it impossible for the State to control them and they might be able, if they so desire to thwart any future effort that the State might be making to take under its own control the various sectors of our economic life. We have seen it Sir, that in England banking came to be controlled by 5 or 6 apex banks. Those banks became so powerful that they were able to distinguish between one industry and another, between one set of companies and another and in that way discriminating in favour of certain groups of capitalists as against another group of capitalists, and indeed they had even gone to the extent of thwarting the very efforts of the State to develop certain sectors of economic life. We should guard ourselves against the development of such a position in our country. Therefore, if really we were to take into consideration the larger interests of the country and also the future interests of the country it would indeed be better not to encourage these inter-statal banks first of all. Secondly we must hasten with our schemes to nationalise the whole of this banking industry so that all those people who have some small funds to invest would be enabled not to put their money in these banks for the benefit of certain small section of capitalists alone, but to place their funds at

the disposal of the State banks or the co-operative banks and see that their credit goes to fertilize the social development of the country as a whole.

On one point I would seek enlightenment, Sir. It is quite possible that my Honourable friend the Finance Minister might say that he would give that information at a later stage when this morning's bill comes up for consideration, but I think it would indeed be helpful to this debate if he were good enough to tell us what he meant by the word "public". Did he mean by that "State" or did he mean by that "anybody and everybody as a sort of general public from whom shares could be invited"?

The Honourable Shri R. K. Shanmukham Chetty: By public ownership I mean "state ownership".

Prof. N. G. Ranga: I am glad he has given that assurance and I have nothing more to say at this stage on this Bill. I commend this Bill to the attention and support of this House.

Prof. Shibban Lal Saksena (U. P.: General): I felt glad when the Honourable the Finance Minister told us that he is incorporating in this Bill the recommendations of the Banking Commission as well as some of the points contained in the Minority Report thereon. I thought he would have incorporated in this Bill at least one of the main recommendations of the Minority Report about the most important need of the country. The rural population get credit at very high rates and sometimes for want of credit they suffer heavy losses. As stated in the Minority Report the co-operative movement has not yet enabled us to supplant bankers. It has only been able to supplement it. The Commission itself estimated that the rural population was indebted to the extent of 876 crores of rupees and since then, I think, the amount has increased and not decreased. This Bill so far as it goes is good in itself but it does not go far enough to provide for the main need of our country, that is, banking facilities to the crores of population who live in the villages. It is only intended to see that the banks in cities do not fail, that the depositors' money is properly safeguarded and that the Government looks after the affairs of the banks, so that they do not crash. It is all good, but we wanted a more comprehensive Bill. If the Honourable Minister has got another Bill up his sleeves to meet that most important need of the country, I will be only too glad. I hope he will tell us something in his reply what he proposes to do about that. The Minority Report of the Indian Central Banking Enquiry Committee have said:

"The co-operative movement would appear to be supplementing the finance provided to the rural districts by the money-lender rather than supplanting him.

Under existing rules, all requirements of members are not met, leaving, as in the Punjab, 40 to 50 per cent. of them in debt to the money-lender."

What is needed is that the Banking Bill should be able to provide some credit facilities to these people. In fact they have not got those kinds of assets which people in the city have and so we will have to treat as assets things such as land, grain and other similar things. But something must be done immediately to see that the rural areas get credit at a reasonable interest and at the proper time so that they may not get into the clutches of money-lenders and pathans to whom they pay the whole of their produce and income. Another defect of this Bill is that it does not provide for the nationalisation of Banks. Though the Reserve Bank is going to be nationalised yet I feel that it is high time that all the Banks were nationalised. The preamble to Bank of England Act says:

"An Act to bring the capital stock of the Bank of England into public ownership and bring the Bank under public control, to make provision with respect to the relations between the Treasury, the Bank of England and other banks and for purposes connected with the matters aforesaid....."

[Prof. Shibban Lal Saksena]

From this I find that all banks in England will now be more or less public-owned. I wish that this Bill were more wide in scope and that other banks were also brought under the closer control of the Reserve Bank than has been done at present in this Bill. The Reserve Bank Bill, in fact, is very important in itself, but I do not think it will meet the full demands of our banking needs. I hope the Select Committee will take into consideration all these points and will make it a better Bill when it comes back before us. I do not wish to take up more time of the House at this stage but I hope the Select Committee will take into consideration the needs of the country and make the Bill more comprehensive and sufficient to meet the country's needs.

Shri Satyanarayan Sinha (Bihar: General): The question be now put.

Mr. Speaker: The question is:

"That the question be put."

The motion was adopted.

The Honourable Shri R. K. Shanmukham Chetty: I do not think I have anything more to say to what I have already said in the introductory observations. I have no doubt the Select Committee will take into consideration the various points that have been raised.

Mr. Speaker: The question is:

"That the Bill to consolidate and amend the law relating to banking companies, be referred to a Select Committee consisting of Dr. B. Pattabhi Sitaramayya, Shri T. A. Ramalingam Chettiyar, Shri Arun Chandra Guha, Shri Prabhudayal Himatsingka, Shri Bikramlal Sondhi, Prof. K. T. Shah, Srijut Kuladhar Chaliha, Mr. Hossain Imam, Shri T. T. Krishnamachari, Shri T. Channiah, Shrimati G. Durgabai, Dr. Dharam Prakash, Shri U. Srinivasa Mallayya, Shri M. Ananthasayanam Ayyangar, Shri Jaspat Roy Kapoor and the Mover, with instructions to report on or before the 18th August, 1948 and that the number of members whose presence shall be necessary to constitute a meeting of the Committee shall be five."

The motion was adopted.

ELECTRICITY (SUPPLY) BILL

The Honourable Shri N. V. Gadgil (Minister for Works, Mines and Power): Sir, I beg to move:

"That the Bill to provide for the rationalisation of the production and supply of electricity, and generally for taking measures conducive to the electrical development of the Provinces of India, as reported by the Select Committee, be taken into consideration."

Sir, when I moved for the reference of this Bill to the Select Committee I said that this was a big and complicated measure. As reported by the Select Committee, the House will find that in certain respects important amendments have been effected by the Select Committee. The Select Committee made its report nearly four months ago. So, it would be only fair, Sir, that I should give as briefly as possible an account of what the original Bill was, and what were the important amendments effected by the Select Committee and an overall picture of the Bill as it is now, for the consideration of this House.

Sir, the electricity supply industry is at present, governed by an Act passed in the year 1910 and during the present decade the inadequacy of this legislation has become increasingly clear. The Government were not unaware of this position, and in spite of the difficulties of the war period, a considerable amount of time was devoted by a section of the then Labour Department for the preparation of a Bill which would bring the electricity supply legislation in India in line with or even ahead of that which had been adopted and which had proved successful in other parts of the world. After a prolonged study,

it was decided in 1945 that the needs of the country would be best met by the constitution in the provinces of autonomous or quasi autonomous statutory boards with adequate powers to effect rationalisation of electricity supply throughout the State. In arriving at this decision, the Government did not overlook the recommendation of the Power and Fuel Committee of the National Planning Committee which was set up in 1940 under the Chairmanship of the Honourable Pandit Jawaharlal Nehru. One of the resolutions passed by this Committee stated that in order to implement the national policy on Power, it will be necessary to create Provincial Electricity Boards and a Central Electricity Board. The Committee also considered that it will be advantageous if the State were ultimately to own and operate the industry; but it did not advocate this as an immediate policy.

Bearing these things in mind, a critical examination was made of the trend of legislation and the events associated with this industry both in the United Kingdom and the United States of America. An Expert was also called. In the United Kingdom, a Central Electricity Board had been set up with a view to effecting substantial economies in the generation of electricity. This body has proved to be a remarkable success in achieving the object for which it was constituted. It was thought, therefore, that the provincial Electricity Board, which was proposed to be set up under the provisions of the new Bill, might well be equipped with powers in some respects similar to those which had been vested in the Central Electricity Board in the United Kingdom. In consequence, it was decided to ask the British Government to make available certain technicians and an expert. He was made available. Although the then existing legislation in the United Kingdom proved to be valuable as a basis for those sections of the Bill relating to the constitution of the Provincial electricity board, there was another aspect which had received scant attention in the United Kingdom, namely, the regulation of rate. A scrutiny of the conditions in the electricity supply industry in England left no doubt in the minds of those engaged in drafting this Bill that some form of rate regulation was not only justifiable, but was indeed urgently required. It was realised that the conditions in the licence granted to an undertaker under the provisions of the Electricity Act of 1910 were of practically no value in protecting the consumer from excessive charges. The need for some form of financial control was even admitted by the industry itself. Accordingly, after a study of the rate regulation practised in America, a set of principles governing the supply of electricity were drafted and appended to the Bill in the form of schedules. Sanction was received for the introduction of this Bill and this Bill was first introduced in 1946 Budget Session and it was by an executive order, circulated for eliciting public opinion. As the House is aware of the political conditions that followed after the Budget Session of 1946, nothing was done with respect to this Bill till in the month of June 1947 when a Conference was called at Simla which was attended by representatives of the electricity supply industry as well as representatives of other interests, including a representative of this Assembly. In that Conference, certain understandings were arrived at. However, as I stated, owing to the constitutional changes, the Bill automatically dropped and it was again introduced in the year 1947 and was referred to the Select Committee.

The Select Committee met in the month of January, first and later on in March of this year. As this Bill was a unique measure in one sense, as it was very complicated, the Government thought it best to give every opportunity to the Industrialists concerned. The Select Committee allowed representatives of the Federation of the Electricity undertakings to represent their case, they heard Mr. Manu Subedar, they heard representatives of the Tata Hydro-Electric concerns. I should say that the amendments effected by the Select Committee have gone to a considerable extent to meet the view points

[Shri N. V. Gadgil]

both of the industrialists as well as the viewpoints of those who stand for socialism.

The Select Committee, as I said, has made its report four months ago. The object of this Bill has been stated in the preamble as rationalisation of the production and supply of electricity and to secure the development of this industry in this country. The main features in the original draft I want to refer, so that the House may well appreciate the changes that have been made with respect to this important matter. It has been mentioned that a principal feature of the original Bill was the legalising of the constitution of statutory electricity supply boards by the provincial Governments and in consequence, the laying down of a uniform system for the operation of such Boards. It would be noted however that the original Bill was permissive and not mandatory in its provisions relating to the constitution of these Boards by the provincial Government. Provision was also made for the constitution of an advisory body. It was intended that these advisory bodies should advise the board on any matter which the provincial Government thought necessary and on any question which the Board thought fit to refer to them. It was also realised that adequate powers and finances should be provided for the provincial Boards to enable them to fulfil the primary object of the proposed legislation, which were:

(1) to co-ordinate and stimulate electrical development by technical methods conducive to progressive reduction in the cost of generating electricity;

(2) to effect a form of financial control over the commercially owned undertakings whereby the investor could be assured of an adequate return, and the industry of adequate capital, and the consumer a rate bearing a definite relation to the cost of the service.

It was evident to give effect to such a programme, fairly adequate powers would have to be provided and adequate freedom of action granted. The original Bill entrusted the Board with many powers, certain of which would enable it to do these things: to erect its own generating station and main transmission lines, to designate certain commercially owned power stations as controlled stations and to extend such stations, for which purpose a loan might, where desirable, be granted to the licensee: to purchase under certain circumstances, generating stations or main transmission lines owned by a licensee on terms which provided reasonable compensation; and to exercise control over the finances of the licensees with a view to effecting appropriate rate regulation.

It should be noted that while the Bill provided the Board with a very substantial measure of control over a licensee's policy and practice in regard to generation and transmission of electricity, it did not attempt to remove this source of revenue, namely, the distribution of electricity to his consumers. The Sixth Schedule to the Bill however endeavoured to ensure that the latter should not be exploited. It is important to emphasize that the powers of acquisition vested in the Board have been provided and are intended for use only in so far as their application would further the rationalization of electric supply. It is very definitely not the intention of this proposed legislation to stimulate indiscriminatory acquisition but it is essential that the Board should be empowered to acquire certain existing assets in the furtherance of its policy.

Speaking very generally, Sir, after its constitution the Board would formulate a scheme for the province, which scheme would provide for the erection of its own generating stations, together with the employment of certain existing stations which latter it would nominate as control stations. The scheme would in all probability provide for the linking of these stations by means of extra-high tension transmission lines, so as to form a provincial grid. Initially, therefore, the Board would not acquire these controlled stations and would not nominally do so until they had been so expanded

by the Board for the purposes of the grid that the proportion of the capacity of the station which the licensee required for his own consumers was considerably less than half the total capacity of the station. Even in these circumstances the Board would not necessarily elect to purchase. On the other hand, the implementation of the Board's scheme would mean that certain of the smaller existing generating stations would no longer be necessary due to the mass production of electricity by the Board's stations and its controlled stations. These smaller generating stations would be normally unable to produce electricity at the low cost at which the Board's stations would generate so that from time to time such stations would be closed down and receive their supplies of electricity in bulk from the Board.

It may be mentioned also that when proposals similar to this were first put forward in the United Kingdom considerable apprehension was felt by the operators of generating stations and they demanded and received eventually a guarantee that the cost of the supply given by the Board could not exceed the cost at which they were then generating or would have generated had they increased the capacity of their stations to deal with the new demands.

On the face of it, the demand for such a guarantee appears to be not unreasonable until the implications are carefully considered. Then it is realised that in every instance where such a guarantee is given, it is necessary for purposes of costing that hypothetical generating stations be set up and operated. As a result, the complications which this procedure involved were so great that in some instances a period of three years elapsed before the undertaker's final accounts for a given year could be completed.

A similar mistake should not be repeated in India and for that reason the trading provisions of the Bill are somewhat complicated but they are equitable and they avoid the immeasurable difficulties associated with the above guarantee.

It was not however intended that the Schedules governing the trading provisions should be employed in every circumstance but that they should rather form a background for negotiation. Section 47 of the new Bill gives a Board wide powers to negotiate with licensees on any basis it deems fit, subject only to the provision that undue preference will not be given. Very considerable thought was given in formulating the Schedules to the Bill and any attempt at simplification would only result in inequities to one or the other parties.

Brief mention has been made to the original draft of the Sixth Schedule. It was stressed that a careful study had been made of rate regulation practice in America and elsewhere: but it must be emphasised that the Schedule does not approach in form or in substance American Public Utility Legislation. The Sixth Schedule is, indeed, an entirely new departure and aims at achieving rate regulation by means of legislation rather than through Regulatory Commissions, as is the American method. The principles have aroused considerable interest both here and abroad. The original draft was circulated to all interested parties throughout the country and two well known firms of Chartered Accountants were employed to report upon them. Although many modifications have been made to the draft the fundamental idea behind it has found general acceptance. This idea may be described as the formulation of a Charter to the consumer giving an assurance that the charges for the service will bear a definite relation to the true cost of that service. It has frequently been asked why some simple formula limiting dividends was not employed. The answer is that any such formula to be effective could not be simple. Furthermore, the consumer is not interested in the share capital of the undertaking serving him but rather in the assets provided by that capital and it is only on the basis of those assets that a really effective method of control can be devised.

[Shri N. V. Gadgil]

I now come to some of the amendments effected by the Select Committee. With respect to these, I have six important points which I will briefly summariae.

The first is a new provision. In the original Bill the Central Authority was called the Central Technical Power Board. The Select Committee thought that inasmuch as considerable powers were not given to the Provincial Boards, it was in the fitness of things that there must be a strong Central Authority. The principal amendment recommended by the Select Committee to the Bill is a proposal to constitute a body to be known as the Central Electricity Authority. This proposal is in line with the original suggestion mooted by the sub-Committee of the National Planning Committee which as already mentioned, recommended that in addition to constitution of Provincial Electricity Boards, there should be set up a Central Electricity Board. The original Bill made provision for the employment of a Central Body known as the Central Technical Power Board to undertake certain functions on behalf of the Centre. But this body was a temporary one and the functions assigned to it were extremely limited. The Select Committee felt that a Central organisation should be constituted which could not only carry out the functions assigned to the Central Technical Power Board but also undertake in addition certain other duties. Of these duties, one of the most important is the requirement that the new body should act as an arbitral authority on technical questions arising between a Board and a licensee where provision has been made in the revised legislation for the authority so to act. This new provision will undoubtedly be welcomed by many licensees due to the fact that arbitration by the Authority may reasonably be anticipated to involve the parties in any dispute in much less expenditure, both of time and money, than is the case where all such questions arising out this Act are referred to arbitration under the Arbitration Act of 1940. Also, since it is proposed that the Authority should be a technical judiciary of a highly specialised nature, it would be more likely to effect just and equitable settlements than any other tribunal.

Now with respect to the Provincial Board and the Regional Advisory Council. The Regional Advisory Council was good but the Select Committee came to the conclusion that it would be better to call it Provincial Electricity Council and to invest it with some greater power. The Select Committee were of the opinion that the original Bill did not provide adequate control over the activities of the Provincial Boards and considered that an Advisory Body should be set up to which the Board should refer major questions of policy for discussion and review. It accordingly suggested that a new advisory body be constituted and called the Provincial Electricity Council. This
4 P.M. would be a permanent provincial body consisting of the members of the Board and nominees of the Provincial government selected after consultation with the representatives of certain specified outside interests.

Then the second important amendment was with respect to the constitution of the Board. The Select Committee recommend that it should be mandatory on Provincial Governments to set up Provincial Electricity Boards within a specified period after the enactment of the Bill.

The House will find that this recommendation has been dissented from by one of the members of the Select Committee. Obviously there is some force in the argument with which the gentleman has differed from the majority conclusion in this respect. But I can assure him that the amendment is so worded that where any province can so recommend and convince the Central Government that any extension of time would be justified that extension would be granted.

The third important amendment is with respect to central taxation. It

was considered that Boards should not be exempted from central taxation. This decision is in line with the amendment made to the Dunodar Valley Bill in this respect. There has been some difference of opinion with respect to this but if our economy is to proceed on the lines of giving sphere after sphere to autonomous bodies working under the control of Government or working with the Government as both owner and manager, and if we do not tax those autonomous corporations, then nothing will be left for Goverument. It is possible that there may be some difference of opinion but so far as I am able to see whatever is taken by the Central Government by way of income-tax is returned to the provinces in a certain proportion. In the final analysis it does not make any great change but there is a definite advantage in having these autonomous commercial bodies subject to central taxation, *viz.*, there is a greater possibility that they will work with greater efficiency and more in compliance with commercial principles of management.

The fourth important amendment effected by the Select Committee is with respect to the Depreciation Reserve. The interest rate has been reduced by the Select Committee from 4½ per cent. per annum to 3 per cent. This amendment has been made since it was considered that the interest rate should be more closely allied to the rate at which Boards would be likely to borrow. This is perfectly reasonable.

The fifth important amendment was, under the provisions of the original Bill the Provincial Government was precluded from granting any concess on unless the Board itself recommended to it that it would be inexpedient for the Board to develop or use the water power concerned itself. The Select Committee has effected a revision giving nitiative to the Provincial Government in deciding as to whether or not a Board is able to use or develop such water power. It was considered that the original Bill provided the Board with unnecessaarily wide powers in this respect, so that the charge that the Board may not do itself or would not allow anybody to do is now no longer valid.

The sixth important amendment is with respect to arbitration. Reference has already been made to the constitution of the Central Electricity Authority and to its powers in regard to arbitration under this Bill.

The seventh amendment deals with the first Schedule. As I said this Bill is divided mainly in two parts. One is the sections and the other 8 schedules. Now with respect to the first schedule paragraph 21 of the original Bill referred only to the purchase by the Board of a generat'ng station. The paragraph has been revised by the Select Committee to include the undertaking, where under paragraph 19 notice has been served on a licensee by the Board of its intention to acquire the station and the licensee elects that the Board should purchase his entire undertaking. Where such election is made by a licensee, it is specified that purchase would be effected on the basis of depreciated cost in accordance with the provisions of the Fourth Schedule and not on the basis specified in the licence. This is with respect to what is known as "severance". A part of the concern is satisfactorily acquired and the part that is left is for all purposes useless or cannot be run with profit or can be run at a loss only. In such circumstances it is open to the licensee to insist that the whole thing should be purchased and when it comes up for purchase then it will be purchased at a price on principles not specified in the license but on the principle of the depreciated cost.

In addition to the consequential amendments necessitated by the Select Committee's modifications in respect of the purchase of undertakings, an amendment has also been made whereby compensation, in the event of purchase, should be determined by the Board after taking into account the fact that a portion only of the undertaking may be acquired. This I have already referred to.

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The main schedule in the whole Act is Schedule 6. It lays down the principles of the electricity supply finance. As stated, one of the objects of the Bill is to effect a definite relationship between the rate and the cost of service. For this purpose it is necessary to determine what is the capital base. After taking all relevant factors into consideration and after taking into consideration the representations made and the viewpoints expressed by the various representatives of the industry concerned, the Select Committee has made this recommendation. The Select Committee has made this recommendation. The Select Committee adhered to the view that any distinction it was decided that in arriving at the capital base of an undertaking the amount of debenture and preference share capital should not be deducted. A further important amendment permits the inclusion in the Capital Base of that portion of the accrued depreciation fund which a licensee can show, to the satisfaction of the provincial government cannot be invested in his undertaking. Other amendments to the capital base have been made but are minor in character.

With regard to depreciation the Select Committee have recommended a number of important amendments under this heading as follows:

(a) *Plant lives*: It is now suggested that in those instances where a licensee considers that he has so maintained his plant that its useful life is substantially in excess of that prescribed, he may apply to the Provincial Government for a suitable variation. This amendment reduces the rigidity of the original provision which might have resulted in hardship in some cases, which were pointed out to the Select Committee by some of the representatives of the industry concerned.

Under the Advisory Board's draft, until arrears of depreciation were fully written off, dividends payable were restricted to 3 per cent. The Select Committee now recommends that arrears may be equated over the remainder of the prescribed lives of the assets and, that if the annual instalments in respect of such arrears are provided for, there need be no such restriction on dividends paid.

One important recommendation in this connection has been made by the Select Committee. The Advisory Board's draft made it mandatory on licensees to employ compound interest method of depreciation accounting. The Select Committee felt, however, that where licensees had been employing the straight-line method in the past, it would be reasonable to permit such licensees to continue to employ the latter method and so avoid the complications which a changeover would entail.

Another principle which is incorporated in this is the standard rate. The Select Committee has after careful consideration rejected the recommendations of the Advisory Board and has reverted to a form of standard rate even simpler than that appearing in the original draft of the Schedule. The suggested rate of 5 per cent. happens to be identical with the one recommended by the Federal Power Commission in the U.S.A. for American electricity supply undertakings.

Clear Profit has also been defined and some change has been made in the original draft. The original draft of the Schedule recommended that the Standard Rate should be subject to tax and this principle was endorsed by the Advisory Board. The Select Committee, however, recommends that income-tax should be treated as an item of expenditure, which is the normal practice in this country under the Income-tax procedure. In revising the Standard Rate the Select Committee took this factor into account.

[*At this stage Mr. Speaker vacated the Chair, which was then occupied by Shri K. Santhanam (one of the Panel of Chairmen)*].

The Select Committee has made certain amendments to provide for a reasonable margin of error on the part of a licensee in the adjustment of his rates. As the House must have seen this measure is a very complicated measure. So it is possible that some error may creep in. And experts make more mistakes than laymen. The Select Committee has therefore provided for a reasonable margin of error on the part of a licensee in the adjustment of his rates.

Under the new provisions he cannot benefit from any excess of Clear Profit over Reasonable Return, if this excess should amount to more than a specified percentage of the Reasonable Return.

Another principle which is embodied in Schedule VI and which has been amended by the Select Committee relates to the Managing Agents' Commission. Under the original draft, Managing Agents' Commission was to be computed on the "net profits" of the undertaking as defined in the Indian Companies Act. The Advisory Board, however, preferred that the computation should be made on "clear profit" as defined in the Bill. The Select Committee, however, has reverted to "net profit" but has accepted the Advisory Board's recommendations in regard to percentages. As a result, Managing Agents will be entitled to earn rather more than would have been the case under the provisions suggested by the Advisory Board. But the increase is not considerable.

Now, as I stated in the beginning I will give a brief overall picture of the Bill. Apart from the proposed constitution of a Central Body to be known as the Central Electricity Authority and the recommendation that Provincial Electricity Councils should be set up, the main body of the Bill itself still remains fundamentally unchanged. The most important new feature is undoubtedly that whereby it is now mandatory on Provincial Governments to set up a Board within a specified period unless the Central Government otherwise directs. The trading provisions have been altered only in minor detail and the outstanding features of the revised Bill—apart from the Sixth and Seventh Schedules—may, therefore, said to be almost identical with those which appeared in the original draft. The main purpose of the Bill also, namely, the legalising of the constitution of Provincial Electricity Boards and all that the setting up of these Boards would entail, remains as heretofore.

It will be realised that distances in India obviously rule out the possibility of a nation-wide Grid system, such as is already in existence in many small countries abroad. For this reason Provincial Boards were recommended in order that a manageable area of territory could be controlled by a body which would be free from the procedural complications of the day-to-day administration of Government Departments. The modern trend in utility legislation, whether concerned with electricity, harbours or transportation, etc., is veering towards the Statutory Board idea, that is, quasi state-ownership rather than departmental administration. This is happening because there would appear to be little prospect of public ownership matching the efficiency of private enterprise unless the agency responsible can be left largely autonomous in respect of its own technical, administrative and financial affairs. Accordingly, wide powers have been asked for these Boards and these powers must not be unduly curtailed if success is to be achieved. While private enterprise voices the claim that it is more efficient than Government ownership, it cannot maintain that its record in this country in regard to rural electrical development is impressive. This is understandable because rural electrification must be subsidised in one form or another. In totalitarian countries the question has been treated as one of strategic importance in the same manner as military highways and the cost has been spread over the entire nation. In an advanced capitalist country like the U.S.A., it has been achieved to a certain extent

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due to the high average income of the rural community, but even so, large subsidies in the form of low-interest loans have been provided by the Government. In the Province of Ontario, Canada, a subsidy as high as 50 per cent. has been advanced towards the cost of non-remunerative rural lines.

Provincial Electricity Boards, however, will not suffer from the "shareholder handicap" associated with undertakings operated by private enterprise and will accordingly be able to take a much longer view. It is confidently anticipated therefore that rural electrification will make rapid strides during the decade immediately following the construction of these Boards and probably no other single factor is of greater consequence to the standard of life of the rural community than is this.

While the main body of the Bill has been subjected to few alterations, the financial section, namely the Sixth and Seventh Schedules have been modified considerably from time to time. It will be appreciated that, unlike the rest of the Bill, no legal precedent is in existence to act as a guide and accordingly the greatest care has had to be exercised to ensure that in the quest for both equity and uniformity no undue hardship would ensue to any individual licensee.

The final draft of the Sixth Schedule while apparently differing from the original draft still retains the same fundamental structure the objects of which were, and still are, to relate charges for electricity to the cost of the product, to ensure adequate capital for development at reasonable rates and to enforce a scale of plant depreciation and thereby safeguard the assets of the undertaking.

Only the method of achieving these ends has been altered—not the ends themselves. The principal feature is still the Capital Base—or Block. This Block represents the depreciated cost of the assets employed in affording service to the consumer and is used for ascertaining the reward to which the shareholder is legally entitled. The shareholder cannot therefore earn a return on capital provided by him unless the capital has been devoted to the provision of assets for service to the consumer. Nor can the shareholder benefit from "profiteering" on the part of the licensee because his reward is limited to the amount represented by applying a fixed annual percentage to the Capital Base. If excess profits are made, these are not given to the shareholder but returned to the consumer.

The above describes in brief the main features and functions of the Sixth Schedule. It will be noted that the main Bill makes provision for the enforcement of the Sixth Schedule in all Provinces immediately on the enactment of the Bill irrespective as to whether a Board is constituted in the Province or not.

In conclusion it may be stated that the Bill offers all the advantages of nationalization without the main disadvantage, namely, the very heavy financial outlay required by the State. The provisions of the Bill will also enable acquisition on behalf of the State to be selective in that Boards will tend to acquire only up-to-date plant—old and obsolete stations being gradually shut down without requiring any outlay.

The State therefore will exercise its powers of acquisition only as and when public interest so dictates, whereas nationalization would necessitate the purchase of all assets irrespective of their condition and service value. It is thought that advantages of this arrangement at the present time when capital is needed for so many other projects of national importance need hardly be stressed, and that the results will fully justify the confidence of the House in this Bill.

This is the overall picture.

Mr. Chairman, I do not want to say anything more. I find from the Order Paper innumerable amendments, as usual tabled by my honourable friend Mr. Naziruddin Ahmad. If he is able to convince me that some of them are really necessary to bring out the real intention of the Bill I will accept them. I do hope that he will cooperate with me in saving the time of the House to the greatest possible extent.

Mr. Chairman: Motion moved:

"That the Bill to provide for the rationalisation of the production and supply of electricity, and generally for taking measures conducive to the electrical development of the Provinces of India, as reported by the Select Committee, be taken into consideration."

Shri B. Das (Orissa: General): Sir, I congratulate the Honourable Minister for Works, Mines and Power on his very elucidating speech whereby he has defined the Government attitude about nationalisation, the Government attitude about acquisition of industry, and also the Government attitude in regard to the electrical industry. When my honourable friend made that statement about nationalisation which involves heavy commitments of finance, the exponents of nationalsation in this House—my honourable friends Mr. Ananthasayanam Ayyangar and Prof. Ranga—were so busy in whisperings that they did not appreciate the wise decision that Government have taken and over which they have carried on a historic battle since last November.

Sir, last November I had not the opportunity to address this House on this Bill because I unfortunately went into the Select Committee. My honourable friends who sit in the front bench: Prof. Ranga and Mr. Ananthasayanam Ayyangar, started the bug-bear of nationalization. The Assembly met for the first time after freedom was won and my friends saw that was the proper occasion for them to think of nationalization even by expropriation when that was not the question. The draft Bill which I and you—we were all Members of the Select Committee, including Mr. Ayyangar—prepared suggested what was a proper course. Sir, that historic struggle went on. The Select Committee which at one time we thought would meet for a month, went on for months and over the vexed questions of nationalization by expropriation. Thank God, in the end rationalism won and we drafted a unanimous Bill barring one minute of dissent, over which my friends from Madras have legitimate reasons: and I am glad the Honourable Minister has assured today that even Madras will be given facilities as I won in that Select Committee for Orissa and Assam.

Prof. N. G. Ranga (Madras: General): We have nationalized electricity in Madras.

Shri B. Das: You have? I am very glad to hear from my honourable friend Prof. Ranga that he has nationalized it. I hope thereby he has achieved the welfare of the people and increased the national income of the people—not of the classes but of the masses!

Prof. N. G. Ranga: We have done it fifteen years ago.

Shri B. Das: Sir, it was unfortunate from my friends' view points that this Bill was not a nationalized Bill, but it is a national Bill. It was unfortunate that the whole past history was repeated, the political history of India where members differed so much in political conception and outlook and fought the battle of nationalization on this particular Bill where those words ought not to have been uttered.

Already my honourable friend the Minister has told us that Provinces will be given facilities to develop. Sir, the Chairman, the Honourable Dr. Ambedkar, is not here. He came to the rescue of a poor man like me and said that a Province like Orissa with a total capacity of electric power at about 3,000 K. W., need not start an Electricity Board, with three or four

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people with salaries running to Rs. 3,000 or 4,000, and the necessary paraphernalia. But I do hope that what was at that time thought to be a concession to the Provinces of Orissa and Assam, will also be extended to Madras and the Province of Madras will have special treatment from the hands of the Government of India as Madras has got definite grievances against the Government of India and even against this Bill

Sir, I am glad that the bug-bear of socialism that all industries should be nationalized and that then those industries would not pay any income-tax, is lying buried a thousand fathoms deep. The Government decision that industries, barring the Railways and the Posts & Telegraphs, when they become nationalized will pay income-tax just as any private industry is very welcome. Otherwise Professor Ranga will not be able even to criticise that Ministry for by that time it will have passed through bankruptcy if his advice is accepted.

I am a little bit alarmed;—not at the framing of this Bill, this Bill I whole-heartedly endorse, but at the way that since we attained freedom on 15th August, the number of Government advisers have increased in the shape of Technical Boards, Scientific Boards and Electricity Boards. A time will come when the Cabinet will have difficulty to fight with all these Boards that they have created, and all their experts; these experts see near their nose, they do not see any distance; they want everything to be scientifically designed. But who is to foot the Bill? It is the tax-payer; it is Professor Ranga's multitudes of *kisans* and *mazdoors*. We will have to foot the bill. By that time all of us will be reduced to *kisans* and *mazdoors*! And how to meet that huge expenditure with the various plans inspired by Government experts, call them electricity experts, technical experts or scientific experts, which they are bringing forward? I warn this House, I warn my honourable colleagues here that they must keep a strict eye on the Government so that the Government is not swamped under this huge avalanche of expert Boards and technical Boards costing more than the Government themselves!

It pleased me very much that my honourable friend Mr. Gadgil quoted the instance of Canada and said that Canada has been giving subsidies for rural development of electricity. I believe that is an indication—that is why I remarked that Professor Ranga did not listen to it—of the Government of India that they will give subsidy to Provinces to develop rural electricity all over. Of course my friend the Minister did not make it positive but he quoted and he says that is the intention. I hope he will clarify it and when the Bill goes successfully through, he will make it clear that it is the Government's intention to finance the Provincial Governments for subsidizing rural electricity development.

Prof. N. G. Ranga: The Mysore Government as well as the Madras Government are doing it. They are charging specially low rates for electricity used for agriculture.

Shri B. Das: I always take my cap off—I have no hat now—to the Madras Government for their beneficent government and beneficent ideas. And Mysore is always forward in methods of development. I hope the Government of India will copy all that. Unfortunately, no Madras expert is fit enough to be in the C.W.I.N.C.; that is a thing which I ask my Madras friends to examine: why is it that engineers from Mysore and Madras are not to be found in the C.W.I.N.C. and other places? When it is an all-India show why are they not there? (Interruption). I do hope, Sir, that we should learn to weigh and measure the ideas of experts. (Interruption).

Mr. Chairman: I suggest the honourable member should keep to the Bill and not talk about general questions.

Shri B. Das: Very well, Sir. I do hope that when my friends on the left wish to bring in any nationalisation measure, they would bring a whole-hearted nationalisation measure.

Shri K. V. Kamath (C. P. and Berar: General): Is this not a nationalisation measure?

Shri B. Das: This is a national measure, not a nationalisation measure. So, Sir, I am glad that everything has ended happily and I hope my friendship with Mr. Ayyangar and Prof. Ranga will be further strengthened in future. With these few remarks I support the Bill.

Shri M. Ananthasayanam Ayyangar (Madras: General): Sir, I never did expect that my friend Mr. Das would wait to cement our friendship until the Electricity Bill came. We have been friends, but by his speech he has disturbed our friendship a little. I never wanted to participate in the discussion, but after what he has said, I think it is necessary that the Assembly should fully realise what it is that we are passing. He is halooing before he is out of the woods. We do want electricity. Power is one of the most important factors in the modern world for industrialisation. In our country, hitherto the only Act that was governing the setting up of various Corporations for generating and distributing electricity was a Central Act passed in 1912. In some cases, the Provincial Governments themselves took charge of the production of electricity and its distribution. For instance, in Madras 90 per cent. of the production is carried on by the Government itself from water power and distribution is also undertaken by the Government in most cases. In the other cases, in the whole of India small Corporations licensed for a number of years with power to renew or power to cancel have been established under that Act. Those Corporations were given an area of operation. Both generation and distribution were entrusted to them. Government had the control to the small extent of regulating the maximum price that they could charge per unit from the consumer. But what these Corporations did was to take away the cream of income from the public and not contribute even a little or a farthing to the expansion of power to rural areas. Corporations were easily established in towns and in towns for lighting and other purposes they were charging at the rate of 4 annas per unit whereas under the terms of licence they were obliged to supply power for agricultural and industrial purposes at the rate of 9 pies per unit. Therefore, these Corporations always concentrated their efforts only in cities where on account of lighting they would get the largest portion of income, but they tried least to get into the villages and giving power to lift up water from wells and so on.

Now, so far as the Madras Government is concerned they took up both generation and distribution in their own hands. The Bombay Government, however, wanted to establish a Corporation under which a number of generating stations would be set up wherever there was none (within an area of operation of a generating station). Some other stations which are already generating, if their generation is not economical, might be taken and may be made as controlled stations. Thus, they wanted to take electric power to the very door of agriculturists. Large volume of opposition came up from vested interests. They wanted that no such Corporations should be established: there ought to be no control over them and even if a Corporation should be established for establishing generating stations the power should be given in their hands and they would distribute: no distribution should be undertaken by any of these Corporations. They fought a hard battle, not in one place not in the plains but in hills also. It was a hard fight and I am sorry that we had to succumb to some extent. We did not go the whole hog. At last this Bill was sought to be introduced a long time ago but was held up from being passed by the Assembly. The Bombay Government would not have come up here at all.

[Shri M. Ananthasayanam Ayyangar]

Electric supply is purely a provincial subject under the existing constitution but the incorporation of private companies or corporations is a Central subject. It is only to avoid this technical difficulty that they approached the Centre with a scheme for having an autonomous corporation under which a number of generating stations could be established. This was moved by the Bombay Government and on that move this Bill has been introduced.

Now, Sir, I am not in favour of applying this Bill compulsorily to all Provinces. Take, for instance, Madras. Wherever the Government has not by itself undertaken the generation of electricity and distribution, it should be open to the Provincial Governments to establish Corporations, but there is no meaning in establishing an autonomous Corporation when already 90 per cent. of the power is being generated by the Government and the proceeds are going to the Government. I certainly have to condemn that clause in the Bill which makes it obligatory on even those Governments which have already started and are running very well. I am proud to say that the Madras Presidency scheme of generation and distribution is working exceedingly well. It is a model for others to copy. My friend from Orissa who is a beginner in this matter need not be jealous of our progress.

Shri B. Das: I thought I paid you a compliment.

Shri M. Ananthasayanam Ayyangar: It was a left-handed compliment. There is no wonder that we have made enormous progress not only in this direction, but many other directions. What I am submitting is this that here in Clause 1 you have the provision:

"This section and sections 3, 4, 57, 58 and 77 and the Sixth Schedule and the Table appended to the Seventh Schedule of this Act shall come into force at once.

The remaining provisions of this Act shall come into force in a Province on such date, not later than two years from the coming into operation of the sections, Schedule and Table mentioned in sub-section (3) as the Provincial Government may by notification in the Official Gazette appoint."

The original Bill did not impose an obligation on the Provincial Governments. My complaint is that it should be open to the Provincial Government to apply or not to apply any provision which insists or which directs the establishment of autonomous Corporations. There is no need for a Corporation in Madras. They are doing it exceedingly well. Somehow, the Central Government thought that various things ought to be done only with the aid of Corporations. For instance, the Damodar Valley Corporation. Damodar Valley Corporation is after all a child, which has not begun to crawl and to make that as an example for the rest of the country to follow is not proper, especially in a case like Madras where the Government is able to manage it by itself. It is from electricity that the slender resources of the Madras Government are being supplemented. In another matter also, they have set up a model for the rest of the country. They have taken up the Transport Services and are trying to build it up. These are the various ways in which I would advise other Provincial Governments to copy Madras, so that when they embark on some commercial enterprises they can replenish and find sufficient money for starting various nation-building services. In my own part of the country, Madras Presidency, they have introduced Prohibition and that takes away a large portion of the revenues—to the extent of Rs. 16 crores. Under these circumstances, in a matter where the Government itself is carrying on this business of producing and supplying electricity without any complaint and is expanding with all its resources, what is the meaning of compelling that province to start an autonomous Corporation? After all, who are those persons? Three are to be appointed by Government on full-time and four are to be part-time. I do not see much difference. Even in a Province which feels helpless except through autonomous Corporation of this kind, there ought to be no compulsion.

I have now tabled an amendment and I am sure my honourable friend will agree with me and accept this amendment.

My friend Mr. Das may also, in so far as a province is able to help itself, not object. Let him not be afraid of the word nationalisation'. Let him use any word, but after all it is not as if we are out to leave nothing for the rich man in this country. Every institution in this country, whether already in existence or which comes into existence, the only test for its need or our support for that institution is how far it conduces to the benefit of the common masses. All institutions, whether a bank, an industrial concern or any other concern depends ultimately upon the consumer's support. He is the pay-master. He is the employer of employers. All the others are employees. Therefore, it is wrong to condemn it even in cases where nationalisation or State ownership has proved successful. It is such supporters or advocates of private enterprise who are spoiling the cause of private enterprise also.

I admit this is a compromise in so far as the Provincial Government wants the help of an Indian Corporation, wants private enterprise to go on account of slackness of its sinews that it will not be immediately able to take up these enormous works throughout the length and breadth of the province. There is room for private enterprise; there is room for the establishment of corporations; there is room for the State itself directly undertaking these enterprises and after all nationalisation is not such a bug-bear. In our country we have not got highly industrialized men. We have seen that after the Finance Minister came here, a lot of concessions have been given. We were prepared to tax ourselves to the hilt; still our industrialists have not progressed; no new industries have been started and they do not allow the Government to start the industry. That is an unfortunate position. Under these circumstances I believe if our friends persist like this, the only solution for all our evils is 'an out and out nationalisation'. Therefore, let us not quarrel with that. There is room for all enterprises, national, through corporation and through private enterprise. Let there be cut-throat competition amongst them. This Bill, I am glad to say effects a kind of co-ordination between the several activities. It does not do away with private enterprise. In the various conferences a lot of indulgence was given to a number of these magnates who were in charge of electric supply; they would neither allow progress nor would allow public enterprise to progress.

Take for instance the city of Bombay. Tatas are supplying power. There is another company which is supplying power for the ordinary household purposes; Tatas has been given an over-riding power to supply within the area of the license over a particular bulk. They are enjoying all these concessions. But when Government agrees to supply power in Ahmedabad for a particular quantity the private proprietor says: "No, no. The Government shall not have any truck with us. I would rather allow the present person who is enjoying the benefit and the Government ought not to come in." Why should there be difference between the rich man and the poor man in this country? The rich men should feel that this is his own Government. It is disgusting to see these people going about saying as if the whole world only lives for these rich men. Let them come from the seventh storey to the third storey. Let the poor man be raised from a hovel. I would humbly beseech my honourable friend, Mr. B. Das to change his colour and change his coat as early as he can. Both of us are neither capitalists nor pro' fellows, but he takes up the cause of the capitalists. Therefore, I would humbly request him not to overstrain in this matter. We have yielded to you and my honourable friend Mr. Das will have to compromise lest this Bill should be torpedoed. I shall be extremely glad if you will allow some national enterprise to live so that they may progress. Let three horses run side by side, private enterprise, work through

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a corporation, and state enterprise. Let us wait and see which one will prove ultimately beneficial to the public, let there be a kind of healthy co-operation and healthy competition. I appeal to my honourable friend Mr. Gadgil to agree to my amendment which I and Mr. T. T. Krishnamachari have together tabled, to impose this obligation of establishing a Corporation. Corporation is a child of yesterday; somebody put it into the minds of some of our friends in the Cabinet and they immediately jumped at the word 'Corporation'. If individuals are available for corporation, they can be easily available for State. I am not able to see why one set of persons cannot work in the other. The question of service must appeal to their sense of loyalty and patriotism and to contribute all their might to the growth of the nation and its wealth. With that exception, I would support the earlier portion, the first introductory chapter.

I have got some observations to make in respect of the imposition of income-tax over the profits of any such enterprise. I am afraid this is a retrograde step. All the magnates from Bombay, the electric supplying Corporations, all were insistent on one thing: They said: "Do not make a difference between private enterprise and public enterprise". In public enterprise there is a sense of security for employees and they are not niggardly and they cater more to serve the country. Any public utility service must primarily address itself to the service aspect of its activity. In a private enterprise the man who is in charge of that enterprise will be more anxious about the profit and that motive will actuate him. Therefore, what they wanted was to make it impossible for public enterprise to thrive; they wanted to impose income-tax upon the profits of this corporation so that with their small establishment, small over-head charges and small pay to their employees and no provident fund for the employees, they can save a lot of money; living in a small room they carry on the business and make crores of rupees. They expect also a corporation with its over-head charges to reduce the charges and come to the same level. Insidiously they put this clause so that no corporation can work successfully and the next day they can say: "This is the way public enterprise has gone to the wall." I am really surprised that the Central Government should be anxious to impose income-tax upon these. My Honourable friend's explanation is that what is given by one hand is taken away by the other and that under the Government of India Act the income-tax is shared between the Centre and the Provinces, but after all it is shared.

In my part, I do not know what the Hindi name for this is, we call it '*Avul*'—fried rice. One boy suggested to the other: "You bring fried rice; I will bring husk; we will mix them up and both of us will eat." Why do you tax profits in a particular area, an enterprise which is carried out by the Government successfully and bring it to the pool of the Central Government?"

Srijut Rohini Kumar Chaudhuri (Assam: General): Does the honourable member refer to *Chera* or *muri*?

Shri M. Ananthasayanam Ayyangar: Although we come from East or West, North or South, our sentiments are the same and our stories are the same.

I am glad my honourable friend Mr. Chaudhuri now feels that there is no difference between a Madrasi and an Assamese and it does not matter: the secretariat does not consist of Assamese officers; therefore I am as much a representative of Assam as he is a representative of Madras. After all this is a novel experiment that is being made. Instead of the Central Government giving subsidies, they are trying to impose a curb upon the activities of the provincial Government.

The third point is, how far is this Bill going to carry electricity to the very doors of the agriculturists. That must be the main object of the Bill. It is

not with a view to make the rich man richer, or to make the ordinary lamps, the mercury lamps or the incandescent lights that this institution should come into existence. My friend Mr. B. Das says, all right, you give a subsidy from the Centre. This money also comes from the tax payer. There is another argument for nationalisation. It takes a long lead to distribute power in the village; but in the cities there is not much lead from one house to another and the Corporation goes on earning. In Ahmedabad or Bombay, whatever profit is earned, if it is in the the hands of the Government or a corporation, the earnings will be distributed over rural areas. After all, it may not be economic to take a long distance lead in the villages and erect long transmission lines. To induce the agriculturists you have to reduce the charges also. My friend does not appreciate the difficulty. This corporation with its limitations will have to take up only the supply of electricity in the rural areas and I may assure you that it is not going to work at a profit. The existing corporations in Ahmedabad and Bombay, the Nixons and Tatas have got vested interests; they will walk away with all the cream and leave the dross to us. Why should the rich man walk away with all the profits and throw the burden on the Government. I am not at the moment addressing myself to nationalisation. If it is good, let us not hesitate to nationalise it; but if private enterprise is better, let us go in for it.

I was in the Conference along with Mr. Manu Subedar.

An Honourable Member: Which conference?

Shri M. Ananthasayanam Ayyangar: At the Simla Conference. We had already prepared a Bill. They wanted to give opportunities to all interests to make representations. They came in a huge body and physically they would have thrown us out of Simla. What they said was, leave all our enterprises to ourselves; do not interfere with us. They even went to the length of saying, you shall not even sell small articles which are necessary accessories. It is their conviction that the whole country exists for these gentlemen. They said, the moment the State even for its own purposes starts to deal in accessories, to that extent their reserves have been encroached. This mentality ought to go. It appears some friends think as though we are all wedded lock stock and barrel to these gentlemen, to make the rich people richer. The sooner we get rid of such an unhealthy state of affairs, the better would it be in our own interests. I am sorry that these persons who are in charge of the administration are not putting their heart and soul into this matter; otherwise, we should have nationalised all industries by now. The old bureaucratic system is still there and it does not allow to do things nor would it itself do.

An Honourable Member: The Minister has to bear this.

Shri M. Ananthasayanam Ayyangar: The Minister will hear.

As regards the other portion of the chapter, the chapter on profits, we wanted to rationalise, that is wherever there are private enterprises, we wanted them not to charge exhorbitant rates and we wanted to control them. We suggested that the managing agents should not receive more than a certain remuneration. With respect to capital, we fixed the capital and wanted to allow a certain rate upon the capital at charge. The rate was fixed at 2 per cent. over the low rate, that is the redemption rate of the Government of India loans. They used to get 5 per cent. We sent for the balance sheets and the profit and loss accounts of the various companies and you will be surprised to know that these companies had made a profit of 22 per cent. upon their share capital. Unfortunately, all the papers are in their hands, the whole platform is in their hands, and they go about saying that they are the injured persons. The poor man goes to the wall and the deep sea. We have decided that a flat rate may be given in the initial stages; as we go on gathering

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experience. I am sure that rate may be reduced if they are found to make excessive profits.

There is another point. This Bill makes a provision that wherever available, water power shall be the exclusive property of the State. I ask my friends whether this is not a reasonable thing. They wanted to have some share in water power also and said, before you make a survey, you must tell us. This kind of claim they put forward before the Select Committee and at the Conference. I am taking some time of the House for the purpose of drawing the attention of the honourable members to every one of the items. It may be, we have private enterprise along with public enterprise. In the initial stages, public enterprise may not be able to supply power as cheaply as private enterprise. If, today, the Bombay or the Ahmedabad Corporation wants to compete with a public corporation, they have got enormous resources and they can afford to throw the other out of the field altogether. What we can do is we should restrict the quantum of dividend that they are entitled to get.

There is one other consideration. Electricity unlike other industries is a monopoly. Within the area of operation, it works under a licence and others are excluded. There is absolutely nothing like competition within the same area. When we fixed the particular rate, they said these rates were low; we said you get these rates willy-nilly, and there is no competition. Further this is public utility service and we cannot afford to pay enormously to keep these private enterprises going on.

Therefore, I commend this Bill, though not whole-heartedly; this is the best that we can do in the circumstances. I only wanted a modification that wherever a province has been generating electricity and carrying on the work departmentally, it ought not to be interfered with, and no corporation should be forced upon that province against its will. When the Bill comes up for discussion clause by clause, I will make my submission. I support the motion for the consideration of the Bill.

Mr. Chairman: The House stands adjourned till 10-45 A.M. tomorrow.

The Assembly then adjourned till a Quarter to Eleven of the Clock on Tuesday, the 10th August, 1948.